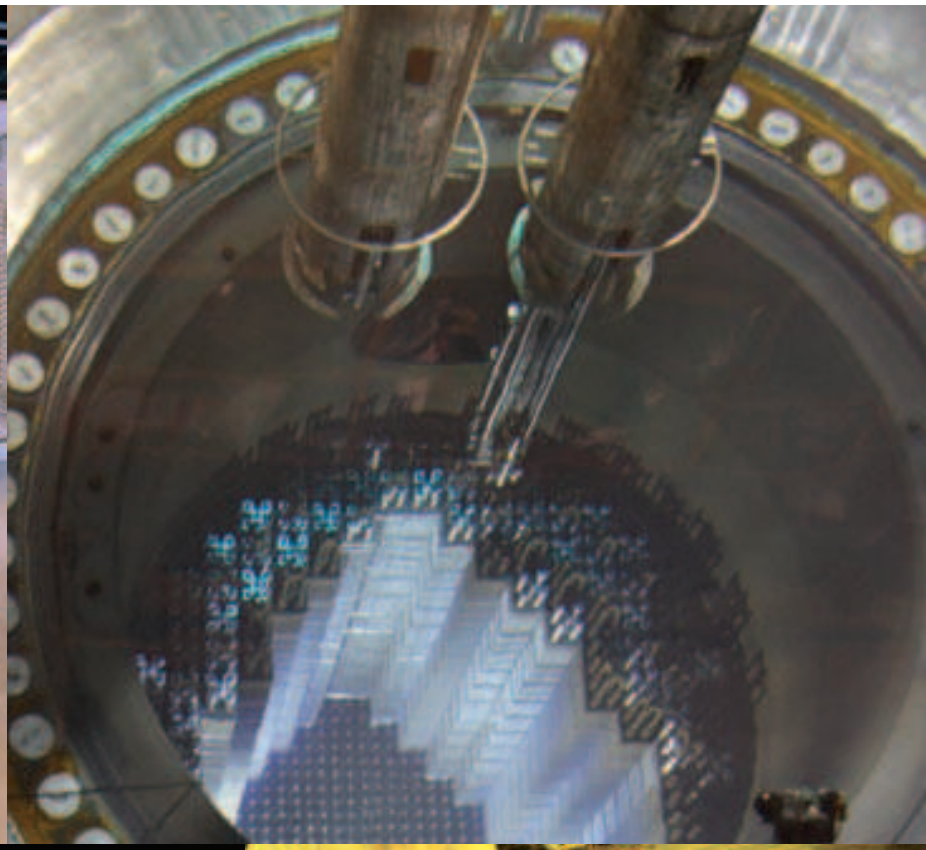

LOUISIANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

This public document was published at a total cost of $6,975.00. Five hundred (500) copies of this public document were published in the first printing at a cost of $6,975.00. The total cost of all printings of this document, including reprints was $6,975.00. This document was published for the Division of Administration, Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA. 70804-9095 by Moran Printing, Inc. to report the financial condition of the State for the fiscal year ended June 30, 2010 under authority of LRS 39:92. This material was printed in accordance with the standards for printing by state agencies established pursuant to LRS 43:31.

State of Louisiana
Comprehensive Annual Financial Report
for the Year Ended June 30, 2010

BOBBY JINDAL
Governor

Prepared By
DIVISION OF ADMINISTRATION
PAUL W. RAINWATER
Commissioner

On the Cover

Exploring Louisiana's Key Industries. Louisiana is home to strong traditional industries, such as petrochemicals and manufacturing, as well as newer growth industries with strong foundations in technology and research. Our state continues to work aggressively to strengthen our business environment, diversify our economy, and promote business investment opportunities. Louisiana's key industries include:

- **Advanced Manufacturing—Aviation, Shipbuilding, and General Manufacturing:** Louisiana has a strong academic infrastructure for advanced manufacturing, with research universities providing innovation and leadership in technology.
- **Agriculture, Food & Wood Products / Agribusiness:** In Louisiana, agriculture is a multibillion-dollar industry, employing thousands and generating great income throughout the state.
- **Digital Media:** With the strongest incentive program in the U.S. and an established creative culture, the digital media industry in Louisiana is thriving.
- **Energy:** An oil and gas leader, Louisiana is also making strides in the development of alternative energy sources, including nuclear and biofuel.
- **Entertainment:** With innovative incentives in digital media, live performance, motion picture and sound recording, Louisiana's entertainment industry is thriving.
- **Services:** Louisiana's aggressive incentives and business-friendly tax environment are attracting headquarters and shared services operations.
- **Life Science:** Louisiana places great emphasis on this growth industry, with bioscience centers throughout the state and aggressive biotech and biomed initiatives.
- **Logistics & Transportation:** Possessing extensive port, rail and highway systems, Louisiana is a leading distribution and logistics hub for traditional and new growth industries.
- **Nuclear:** An available workforce, a strong infrastructure and a favorable regulatory environment have made Louisiana the ideal location for nuclear module fabrication.
- **Technology:** Already home to more than 350 IT companies, Louisiana's technology industry is getting stronger, with incentives, incubators and a technology-driven workforce.

Photo Credits

Front Cover:

- Top-left: Louisiana Immersive Technologies Enterprise (LITE), Lafayette, Louisiana. The Total Immersion Space (TIS), which is located inside LITE's egg structure, is comprised of six 3D capable screens, each requiring its own projector. This venue at LITE allows data to be viewed in a fully immersive environment. Photograph courtesy of LITE. Photographer: Timothy Hursley.
- Top-right: Entergy's Waterford 3 nuclear power plant in Killona, Louisiana. Shown is the plant's reactor core during a refueling. The fuel is under water in rods that are bundled into fuel assemblies, which are being reinserted in preparation for plant startup. Photograph courtesy of Entergy Louisiana.
- Right-center: Metal fabrication at Stupp Corporation, Baton Rouge, Louisiana. Photograph courtesy of Louisiana Economic Development. Photograph by paeix.com.
- Bottom-right: Photograph of Louisiana's State Capitol, Baton Rouge, Louisiana. Courtesy of Louisiana Office of Tourism.
- Bottom-left: Shown is a live performance in the Stage Door Canteen at the National World War II Museum, New Orleans, Louisiana. Photograph courtesy of Louisiana Economic Development and the National World War II Museum.

Back Cover:

- Top left: Northrop Grumman's aviation Maintenance and Modification Center, Lake Charles, Louisiana. Photograph courtesy of Louisiana Economic Development and Northrop Grumman.
- Top-right: Shown is a subject participating in one of the many health and nutrition studies being conducted at the Pennington Biomedical Research Center in Baton Rouge, Louisiana. Photograph courtesy of Pennington Biomedical Research Center.
- Bottom-right: Shown is a 3-D visualization of Hurricane Katrina making landfall on the Louisiana coast. The image was created by Werner Benger, Shalini Venkataraman, Amanda Long, Ana Buleu, and Steve Beck (Scientific Visualization Group, Center for Computation & Technology at Louisiana State University). Image provided courtesy of LSU's Center for Computation and Technology, Baton Rouge, Louisiana.
- Bottom-left: Shown is a worker on an oil rig off the Louisiana coast. Photograph courtesy of Louisiana Economic Development and the Louisiana Department of Natural Resources.
- Left-center: Demonstrating the state's focus on agribusiness, sweet potatoes are one example of Louisiana products that are being turned into added value products. Photograph courtesy of Louisiana Economic Development.

Bobby Jindal

Governor

State of Louisiana

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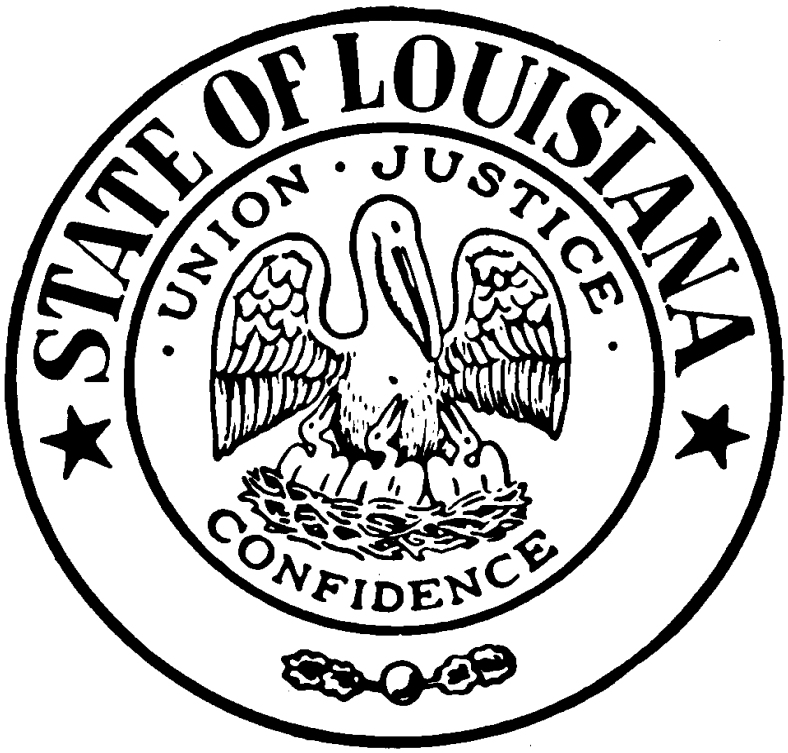
STATE OF LOUISIANA
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I. INTRODUCTORY SECTION

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of the Commissioner

December 30, 2010

To: The Honorable Bobby Jindal, Governor,
Members of the Legislature, and the
People of the State of Louisiana

It is my privilege to present the Comprehensive Annual Financial Report (CAFR) on the financial condition of the State of Louisiana for the fiscal year ended June 30, 2010. The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the Louisiana Revised Statutes.

The Division of Administration, Office of Statewide Reporting and Accounting Policy prepared the CAFR, with the objective of reporting the government's operations as a single unified entity, in addition to providing traditional fund-based financial statements.

The Division of Administration is responsible for the accuracy, completeness, and fair presentation of the data, representations, and disclosures presented in the CAFR. To the best of our knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations, and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the State.

The reporting entity of the State includes all primary government funds, and the activity of component units for which the State is financially accountable. Determination of the component units to be included in the CAFR was made in accordance with criteria established by GASB and is presented in Note 1A to the financial statements.

The CAFR is organized as follows:

- Introductory section containing background and organizational information on the State and summaries of some current initiatives
- Financial section including the independent auditor's report, Management's Discussion and Analysis (MD&A), Government-Wide Financial Statements, Fund Financial Statements, Notes to the Basic Financial Statements, Required Supplementary Information, and combining statements of the individual funds
- Statistical section presenting financial, demographic, economic, and operational data for Louisiana

GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

INDEPENDENT AUDIT

The State of Louisiana's basic financial statements have been audited by the Office of the Legislative Auditor. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the State for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the State of Louisiana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited internal controls of the government and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report for the State of Louisiana.

ACCOUNTING AND BUDGETARY CONTROL

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the State adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Final financial control is exercised through the budgetary system. Financial statements are presented in conformity with GAAP and are also presented on a non-GAAP budgetary basis to demonstrate legal compliance. Variances between the GAAP and non-GAAP budgetary presentations are caused by differences in reporting entity, accounting basis, and timing. The budgetary process is further described in Note 1 to the basic financial statements and reconciliation between GAAP and non-GAAP budgetary basis fund balances is presented as required supplementary information.

PROFILE OF THE GOVERNMENT

Located on the Gulf of Mexico and bounded by Arkansas, Texas, and Mississippi, Louisiana serves a population of 4,492,000. The Executive, Judicial, and Legislative Branches govern the State as provided by the Louisiana Constitution of 1974.

The State provides a variety of services to citizens including education, health care, public safety, road and highway development and maintenance, and recreation. These services are financed primarily through taxes, fees, mineral royalties, and federal revenues, which are accounted for by various funds (general fund, special revenue funds, capital project funds, etc.).

The State financial reporting entity includes 54 active component units, which are reported discretely in the financial statements. These component units include colleges and universities, boards and commissions, ports, levee districts, and other special purpose authorities.

CASH MANAGEMENT

The State Treasurer is responsible for managing all cash and investments, with the exception of certain component units included in the reporting entity that have independent powers to manage and invest their funds. During fiscal year 2010, cash management and investment transactions managed by

the State Treasurer included checking accounts, certificates of deposit, U.S. government and agency securities, corporate, municipal and foreign securities, mutual funds, repurchase agreements, and security lending agreements. Legal requirements for the investment of funds maintained by the State Treasurer are discussed in Note 2 to the basic financial statements.

For fiscal year 2010, the Treasury earned $189,420,318 on its fixed-income investments for the General Fund portfolios. The investments earned a cash rate of return of 2.65% during fiscal year 2010 compared to a 3.43% rate that earned $287,756,951 in the previous year. Additionally, the thirty-day Treasury bill yield averaged 0.088% and the two-year Treasury note averaged 2.771% during the same period. The investments of the Louisiana Education Quality Trust Fund earned a fixed income rate of return of 21.89% and a gain of 20.26% on equities for the 2010 fiscal year.

RISK MANAGEMENT

The primary government, through the Office of Risk Management, retains risk for property, casualty, and worker's compensation insurance, as well as coverage for all State property, with virtually no upper limits. Auto liability, comprehensive, and collision coverage is provided for the State fleet and other coverage, such as bonds, crime, aviation, and marine insurance, is provided as needed.

PENSIONS

State employees may be eligible to participate in the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, or the Louisiana State Police Retirement System, depending on their employing agency. Further information on the retirement systems can be found in Note 6 to the basic financial statements.

ECONOMIC OUTLOOK

The national recession has negatively impacted Louisiana's economy; however, it has been less severe in Louisiana than in many other states. According to figures obtained from the Bureau of Labor Statistics, the unemployment rate increased in Louisiana from 5.7% in the state fiscal year 2009 to 7.2% in state fiscal year 2010. During the same period, the U.S. unemployment rate increased from 7.6% to 9.8%. The national economy is showing signs of growth with the economic outlook for the nation and the state projected to be positive for the next two fiscal years.

The forecasts for the State of Louisiana are based on the following assumptions: 1) the national real gross domestic product is expected to rise by 2.4 percent in 2011 and 2.5 percent in 2012; 2) the consumer price index is expected to rise modestly by 1.9 percent in 2011 and 2.3 percent in 2012; and 3) oil prices will fluctuate between $80-$90 a barrel over the next two years and natural gas prices are expected to range between $4.50-$6 per mmbtu.

Louisiana's economy is quite diverse, as can be seen in comparing the Metropolitan Statistical Areas (MSAs) of Louisiana. Below are the forecasts for the major MSAs of Louisiana.

- The convention industry in the New Orleans MSA has stabilized and is projected to continue improving in 2011. Lockheed Martin plans to eliminate all 1,700 jobs in Michoud related to the Challenger space program. However, this loss may be partially offset by other gains at the Michoud site along with $2.4 billion dollars worth of new construction projects in the MSA expected to be completed over the next two years. The New Orleans MSA is projected to add 3,600 jobs in 2011 (0.7%) and 4,700 in 2012 (0.9%).
- Baton Rouge is tied with Lake Charles as the fastest growing MSA in the state in terms of percentage with an estimated growth of 3,000 jobs (0.8%) in 2011 and 3,700 jobs (1.0%) in 2011. The growth is being driven mostly by the construction sector, which is projected to add $4 billion in new construction over the next two years. Many of the construction projects are private business expansions which will generate permanent jobs in the future.

- Oil and gas extraction activity is projected to be weak in the Lafayette and Houma MSAs due to reduced economic activity in the Gulf of Mexico. These MSAs are highly dependent on extraction, with a high percentage of their jobs coming from this industry. Lafayette's forecast is 3,000 fewer jobs in 2011 (-2.0%) and 800 fewer jobs in 2012 (-0.6%). Houma can expect 1,500 fewer jobs in 2011 (-1.7%) and 500 fewer jobs in 2012 (-0.5%).

- The Lake Charles MSA experienced a temporary decline in growth due to construction stoppage of the Sugarcane Bay Casino which was scheduled to open in 2011. However, a well diversified economy helped Lake Charles tie Baton Rouge as the fastest growing MSA in the state in terms of percentages. It is projected that this MSA will add 800 new jobs per year for the next two years (0.9% each year).

- The Shreveport-Bossier MSA is the most sensitive region of the state to national economic conditions. General Motors has announced it will close its plant in 2012. Haynesville Shale is expected to continue being a major influence in the MSA's economy, but face a decline in drilling going forward as other shale sites around the country become more cost effective. This MSA is expected to create 1,100 jobs in 2011 (0.6%), and another 800 jobs in 2012 (0.2%).

- The Monroe MSA is projected to add 400 jobs in 2011 (0.5%) and another 400 jobs in 2012 (0.5%). Growth in this MSA is caused by Foster Farms reopening the Pilgrim's Pride chicken plant and by ConAgra's new sweet potato processing plant in nearby Richland Parish. A group of investors has purchased the Delphi Lighting plant and re-named it "Next Autoworks" hoping to create the new "V-Vehicle." The "Next Autoworks" vehicle plant would generate approximately 1,400 jobs.

- The Alexandria MSA is anticipated to add 400 jobs in 2011 (0.6%) and 400 more jobs in 2012 (0.6%). Union Tank Car and the lumber/logging firms will recover jobs slowly as demand is expected to be held down by the slow pace of the national economic recovery. State and Federal highway/bridge construction projects costing $203 million are scheduled for 2011-2012.

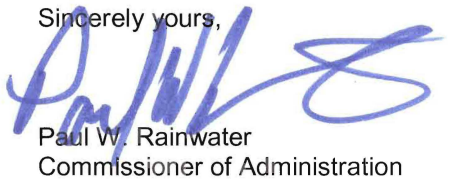
There is uncertainty regarding the long term effects of the oil spill on the Louisiana economy and the de facto drilling moratorium that continues to be in place. Additional federal regulations created and being considered as a result of the Deepwater Horizon oil spill, and a possible $36 billion tax on the oil and gas industry being proposed by the President will drive up costs of operating in the Gulf of Mexico and lead to an overall decline in economic activity in the Gulf in 2011 and 2012. Reduced economic activity in the Gulf of Mexico and below average growth in the national economy are expected to give Louisiana relatively flat job growth over the next two years, adding 3,100 jobs in 2011 (0.2%) and another 7,500 jobs in 2012 (0.4%).

The information for the economic discussion is from The Louisiana Economic Outlook: 2011 and 2012, by Loren C. Scott, James A. Richardson, M. Dek Terrell, and Judy S. Collins, published in October 2010.

ACKNOWLEDGEMENTS

In conclusion, I wish to express my appreciation to the staff of the Office of Statewide Reporting and Accounting Policy for their professionalism, dedication, and expertise in preparing this report, as well as their commitment to maintaining the highest standards of accountability in financial reporting. I also wish to thank the agency fiscal officers and accountants whose contributions helped make this report possible.

Sincerely yours,



Paul W. Rainwater
Commissioner of Administration

PR:AA

PRINCIPAL STATE OFFICIALS

Executive (Elected)

Bobby Jindal
Governor
Jay Dardenne
Lieutenant Governor
J. Thomas “Tom” Schedler
Secretary of State
James D. “Buddy” Caldwell
Attorney General
John Neely Kennedy
Treasurer
Dr. Mike Strain
Commissioner of Agriculture and Forestry
James J. Donelon
Commissioner of Insurance

Legislative (Elected)

Jim Tucker
Speaker of the House of Representatives
Joel T. Chaisson, II
President of the Senate

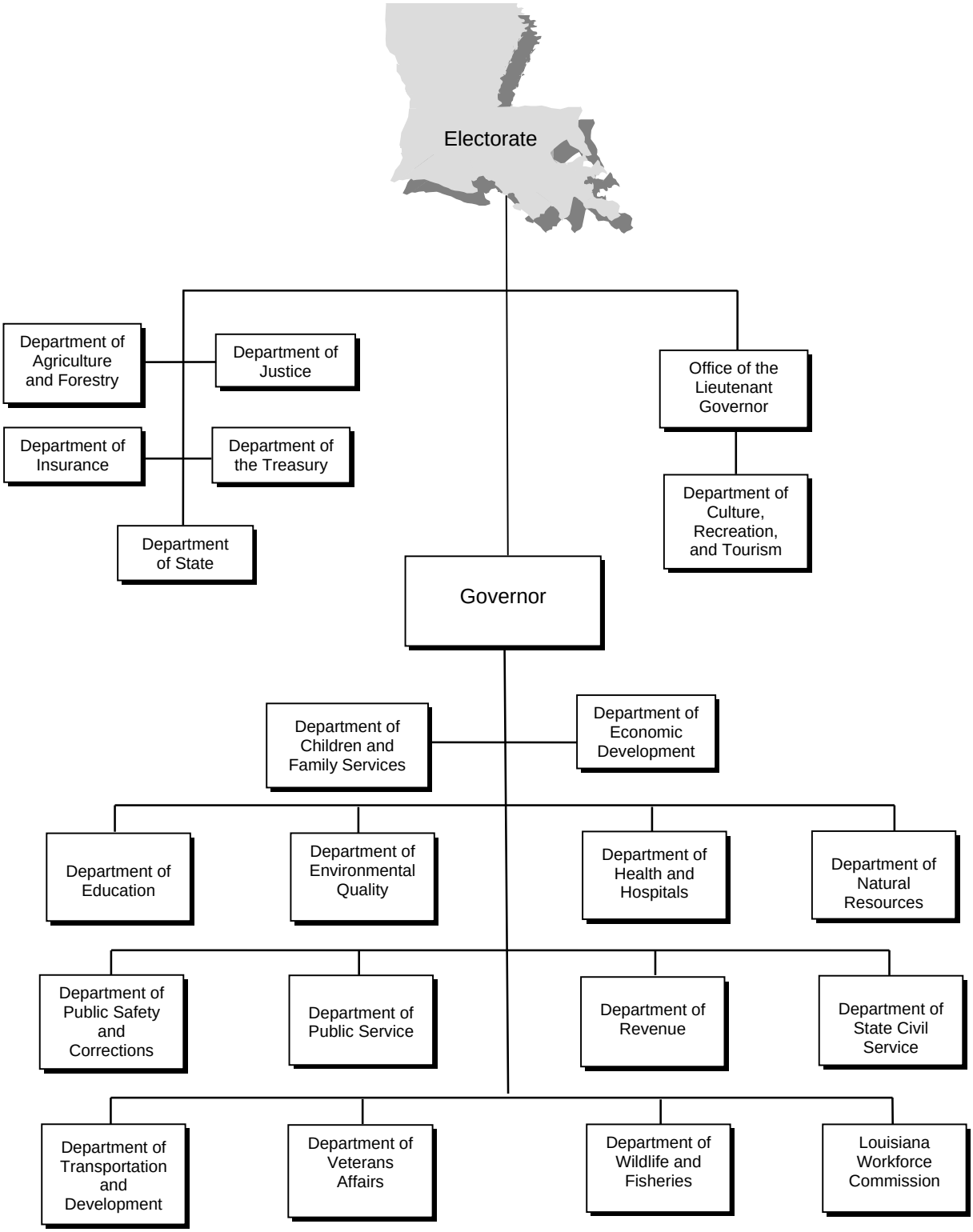
Judicial (Elected)

Catherine D. “Kitty” Kimball
Chief Justice of the Supreme Court of Louisiana

Executive (Appointed)

Ruth Johnson
Secretary of Children and Family Services
Jay Dardenne
“de facto” Secretary of Culture, Recreation, and Tourism
Stephen Moret
Secretary of Economic Development
Paul G. Pastorek
State Superintendent of Education
Peggy M. Hatch
Secretary of Environmental Quality
Bruce D. Greenstein
Secretary of Health and Hospitals
Robert D. Harper
Secretary of Natural Resources
James M. LeBlanc
Secretary of Public Safety and Corrections
Colonel Michael D. Edmonson
Deputy Secretary of Public Safety and Corrections
Superintendent, Office of State Police
Eve Kahao Gonzalez
Secretary of Public Service Commission
Cynthia Bridges
Secretary of Revenue
Shannon S. Templet
Director of State Civil Service
Sherri LeBas
Secretary of Transportation and Development
Lane Carson
Secretary of Veterans Affairs
Robert Barham
Secretary of Wildlife and Fisheries
Curt Eysink
Executive Director of Louisiana Workforce Commission

STATE ORGANIZATIONAL CHART


Electorate
Department of Agriculture and Forestry
Department of Justice
Department of Insurance
Department of the Treasury
Department of State
Office of the Lieutenant Governor
Department of Culture, Recreation, and Tourism
Governor
Department of Children and Family Services
Department of Economic Development
Department of Education
Department of Environmental Quality
Department of Health and Hospitals
Department of Natural Resources
Department of Public Safety and Corrections
Department of Public Service
Department of Revenue
Department of State Civil Service
Department of Transportation and Development
Department of Veterans Affairs
Department of Wildlife and Fisheries
Louisiana Workforce Commission

STATE OF LOUISIANA
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II. FINANCIAL SECTION

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 30, 2010

Independent Auditor's Report

Honorable Bobby Jindal, Governor
Honorable Joel T. Chaisson, President, and
Members of the Senate
Honorable Jim Tucker, Speaker, and
Members of the House of Representatives
State of Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the state's basic financial statements as listed in the table of contents. These financial statements are the responsibility of management of the State of Louisiana. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain pension trust funds, enterprise funds, and component units of government included within the basic financial statements of the State of Louisiana, which represent the following percentages of their related opinion units:

Opinion Unit	Percentage of Total Assets	Percentage of Net Assets or Fund Balance	Percentage of Revenues (Including Additions)
General Fund	1.3%	5.7%	0.7%
Business-Type Activities	1.4%	1.4%	2.3%
Aggregate Discretely Presented Component Units	19.0%	35.3%	6.9%
Aggregate Remaining Funds	71.3%	72.7%	53.4%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the previously mentioned pension trust funds, enterprise funds, and component units, are based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the LSU Foundation and the Tiger Athletic Foundation, both component units of the Louisiana State University System (major component unit); the University Facilities, Inc., the University of Louisiana Monroe Facilities, Inc., the NSU Facilities Corporation, and the Black and Gold Facilities, Inc., all component units of the University of Louisiana System (major component unit); and the Southern University System Foundation and the SUSLA Facilities, Inc., both component units of the Southern University System (major component unit), which were audited by other auditors, were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of June 30, 2010, and the respective changes in financial position and, where applicable, the cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in note 11 to the financial statements, the State of Louisiana implemented Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* and Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* for the year ended June 30, 2010.

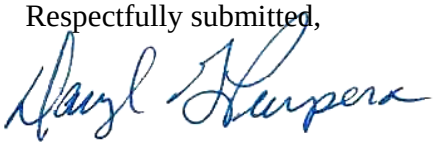
In accordance with *Government Auditing Standards*, a report on our consideration of the state's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants, and other matters will be issued under separate cover in the *State of Louisiana Single Audit Report*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That

report, upon its issuance, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the *Required Supplementary Information Other Than Management's Discussion and Analysis* presented on pages 13 through 24 and 107 through 109, respectively, are not required parts of the basic financial statements, but are supplementary information required by GASB. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying Introductory Section (pages 1 through 7), the Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund (page 111), the Combining and Individual Fund Statements and Schedule - Nonmajor Funds (pages 114 through 177), and the Statistical Section (pages 179 through 205) listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund and the Combining and Individual Fund Statements and Schedule - Nonmajor Funds have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and the Statistical Section listed in the table of contents have not been subjected to the procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

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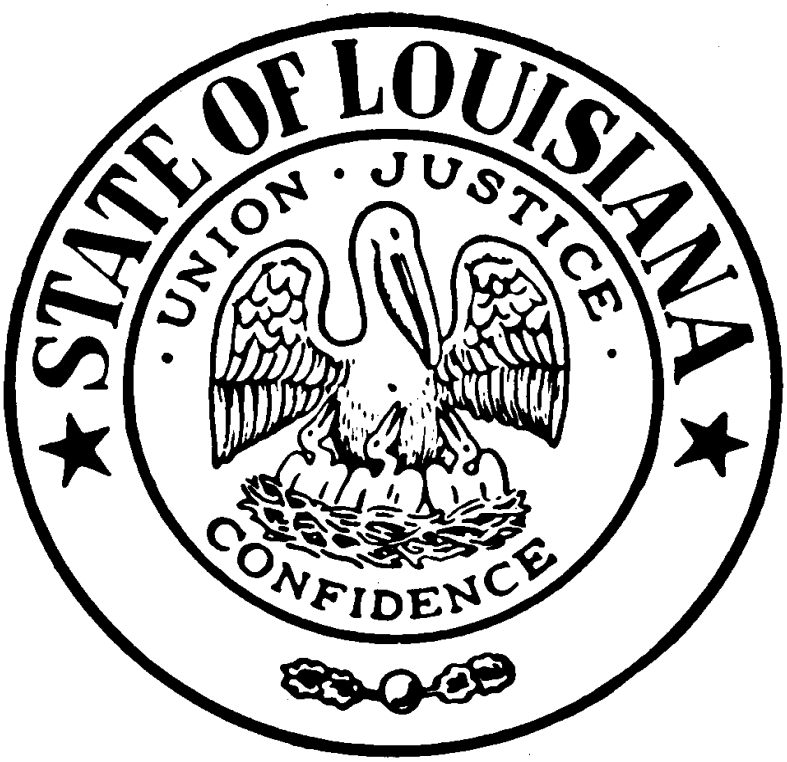
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CONFIDENCE

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis (MD&A) of the financial performance of the State of Louisiana presents a narrative overview and analysis of the financial activities of the State for the year ended June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages 1 - 5 and the financial statements of the State, which begin on page 25.

FINANCIAL HIGHLIGHTS

- **Government Wide:**
  Net Assets – The assets of the State exceeded its liabilities at the close of the fiscal year by $19.5 billion, a decrease of 7.2% from the prior fiscal year. This amount includes $6.1 billion, which is restricted and not available to pay the general obligations of the State.

  Changes in Net Assets – Net assets of governmental activities decreased by $1 billion (5.4%), while net assets of the business-type activities decreased by $509 million (20.3%).

- **Fund Level:**
  As the State completed the year, its governmental funds (as presented in the balance sheet on page 27) reported a total fund balance of $9 billion (a 14.9% decrease from the prior year balance). Unreserved/undesignated fund balance constitutes 53% of this total, which is available for spending in the coming year. The remainder of this fund balance is reserved to indicate it is not available for spending because it has already been committed.

- **Long-term Debt:**
  The State's long-term obligations for governmental activities increased by $102 million (1%). The major portion of this increase in debt is due to other postemployment benefits, which increased $427 million (35%), and an increase in liabilities to the federal government of $529 million. These increases were partially offset by governmental activities because the Patient's Compensation Fund Oversight Board, with a claims liability of $773 million, is no longer reported with governmental activities, but reported with business-type activites.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the Basic Financial Statements of the State of Louisiana, which are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

This report also contains Required Supplementary Information in addition to the Basic Financial Statements.

Government-wide Financial Statements – Reporting the State as a Whole

The government-wide financial statements are designed to provide readers with a broad overview of the finances of the State of Louisiana as a whole, and are prepared in a manner similar to a private sector business. The statements provide both short-term and long-term information about the financial position of the State, which helps in assessing the economic condition of the State at the end of the fiscal year. These reports are prepared using the flow of economic resources measurement focus and the accrual basis of accounting, methods that are similar to those used by most businesses by taking into account all revenues earned and expenses incurred in the fiscal year, regardless of when cash is received or paid.

The government-wide financial statements include the following two statements:

The Statement of Net Assets (page 25) presents the current and long-term portions of the assets and liabilities of the State separately and is the basic government-wide statement of position at fiscal year end. Using the format of assets minus liabilities equal net assets, this statement reports the governmental activities separately from its business-type activities. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

The Statement of Activities (page 26) presents information showing how the net assets of the State changed as a result of current year operations and how those operations were financed. This statement presents expenses before revenues to emphasize the fact that revenues are generated expressly for providing services, rather than as an end in themselves. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused leave).

Both government-wide statements report three types of activities:

Governmental Activities – The activities in this section are primarily supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this section and they include general government; culture, recreation and tourism; transportation and development; public safety; health and welfare; corrections; youth services; conservation and environment; and education.

Business-type Activities – These activities normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities operated by the State include the Patient's Compensation Fund Oversight Board and the Unemployment Trust Fund, among others.

Component units – Component units are legally separate organizations for which the elected officials of the government are financially accountable or have significant influence in governing board appointments. Among the component units included are public colleges and universities, the Louisiana Stadium and Exposition District, and the Southeast Louisiana Flood Protection Authority-East and West. For a list of some of the component units included in the government-wide statements, see Note 1 of the notes to the basic financial statements.

Fund Financial Statements

The fund financial statements begin on page 27 and provide more detailed information than the government-wide statements by providing information about the most significant funds of the State. A fund is a grouping of related accounts used to maintain control over resources, which are segregated for specific activities or objectives. The State of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, fund financial statements indicate how these services were financed in the short-term as opposed to the government-wide statements, which present a long-term view of the State finances. The three categories into which the funds of the State can be classified are governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for most of the functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on short-term inflows and outflows of expendable resources and the balances of these resources available at fiscal year end. Such information may be useful in evaluating the current financing requirements of the State. Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

GASB Statement 34 has shifted the focus of governmental fund financial statements from fund types to major funds. Louisiana accounts for its activities in 263 active funds; of this total, 229 are governmental funds, 20 are proprietary funds, and 14 are fiduciary in nature. Information is presented separately on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the funds determined to be major funds; the remaining governmental funds are presented in a single column on these statements. Combining statements for these funds are presented on pages 114 - 153 of this report.

Proprietary funds encompass enterprise funds and internal service funds. When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other state agencies (internal service funds),

the services are generally reported in the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses. Internal service funds are used to accumulate and allocate costs internally among the various functions of the State. Because the internal service funds mainly benefit governmental rather than business-type functions, they are included in the governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support State programs. The State is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-106 of this report.

Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the General Fund, which can be found on page 107 of this report.

THE STATE AS A WHOLE

Government-wide Financial Analysis

The State's overall financial position and results of operations for the past two years for the primary government are summarized in the following statements based on the information included in the government-wide financial statements:

Statement of Net Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Current and other assets	$ 14,851,986	$ 16,770,822	$ 2,855,883	$ 2,539,849	$ 17,707,869	$ 19,310,671
Capital assets	17,749,674	16,760,618	337,254	283,682	18,086,928	17,044,300
Total assets	32,601,660	33,531,440	3,193,137	2,823,531	35,794,797	36,354,971
Other liabilities	4,468,248	4,494,292	190,537	78,974	4,658,785	4,573,266
Long-term debt outstanding	10,617,335	10,515,442	1,010,371	243,633	11,627,706	10,759,075
Total liabilities	15,085,583	15,009,734	1,200,908	322,607	16,286,491	15,332,341
Invested in capital assets, net of related debt	14,737,911	14,091,358	170,960	119,033	14,908,871	14,210,391
Restricted	5,096,314	5,489,526	1,048,285	1,417,455	6,144,599	6,906,981
Unrestricted	(2,318,148)	(1,059,178)	772,984	964,436	(1,545,164)	(94,742)
Total net assets	$ 17,516,077	$ 18,521,706	$ 1,992,229	$ 2,500,924	$ 19,508,306	$ 21,022,630

Net Assets:

As noted earlier, the overall financial position for the State decreased (7.2%) from the previous year with net assets decreasing to $19.5 billion. Net assets for governmental activities decreased by $1 billion (5.4%) and net assets for business-type activities decreased by $509 million (20.3%). The largest portion of the net assets of the State, $15 billion (76%), reflects investment in capital assets (e.g., land, roads, buildings, machinery, and equipment) net of related debt. These net assets are used to provide services to residents of the State, and consequently are not available for future spending. Capital assets increased by nearly $1 billion (6.1%), due mainly to infrastructure improvements under the Louisiana Transportation Infrastructure Model for Economic Development (TIMED) Program discussed in more detail in the capital asset section of the MD&A.

In contrast, current and other assets (e.g., cash, investments, receivables, and inventory) totaled $17.7 billion (49%) of total assets at fiscal year end, and the State uses these resources in part to repay debt associated with capital assets. The current and other assets of the State at June 30, 2010, represent a decrease of 8.3% from the prior fiscal year. Cash and investments have decreased by $1.5 billion (11.5%), largely due to the downturn in the economy, which has impacted tax collections and other revenues.

Restricted net assets represent those assets not available for spending as a result of legislative or constitutional requirements, donor agreements, or grant requirements. Restricted net assets decreased by $393 million (7.2%) from the previous fiscal year for governmental activities, reflecting a decrease in restricted net assets for other purposes of $468 million. This decrease is due in part to the use of the Budget Stabilization Fund's restricted net assets being used to offset budget deficits identified and declared by the Revenue Estimating Conference. Restricted net assets for funds held as permanent investments increased by $64.1 million over last year, $24.7 million for nonexpendable funds and $39.4 million for expendable funds.

Restricted net assets decreased by $369 million (26%) for business-type activities, and was primarily caused by a decrease in the amount restricted for unemployment compensation, which is reported in the Unemployment Trust Fund. Balances in the fund continue to decrease reflecting the large increase in unemployment claims following lay-offs related to the downturn in the nation's economy.

For fiscal year 2010, unrestricted net assets decreased by $1.3 billion (119%) from the previous year for governmental activities. A large portion of this decrease is due to the recessionary environment, which has had a negative impact on tax collections. A more detailed explanation of the decline in revenues is provided on page 21.

Unrestricted net assets decreased by $191 million (19.9%) for business-type activities. This decrease is mainly due to the addition of the Patient's Compensation Fund Oversight Board in FY 2010 to the business-type activities, which had a negative unrestricted balance of $234.1 million at the 2010 fiscal year end. The purpose of the Patient's Compensation Fund Oversight Board is to guarantee that affordable, medical malpractice coverage is available to all private healthcare providers and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

Changes in Net Assets:

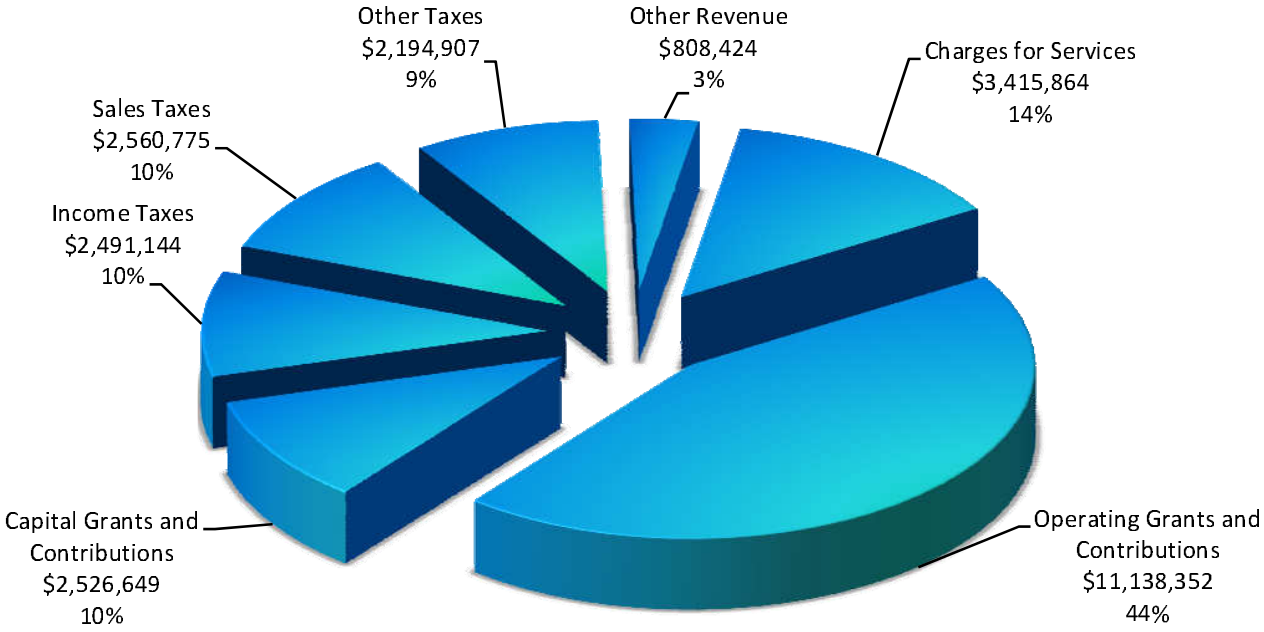
Changes in Net Assets

(in thousands)

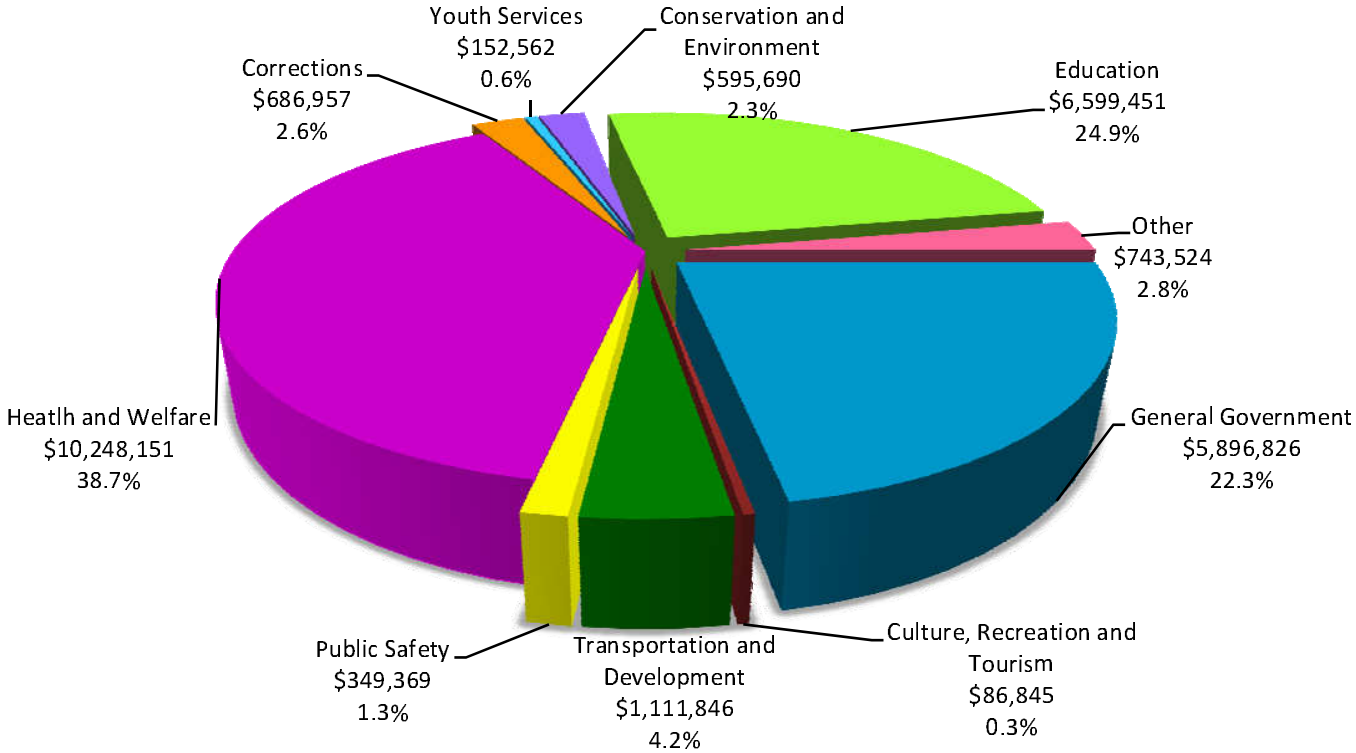
	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	$ 3,415,864	$ 3,783,473	$ 893,745	$ 702,282	$ 4,309,609	$ 4,485,755
Operating grants and contributions	11,138,352	11,068,209	412,463	99,339	11,550,815	11,167,548
Capital grants and contributions	2,526,649	3,010,693	68,045	86,934	2,594,694	3,097,627
General revenues:						
Income taxes	2,491,144	3,630,547	--	--	2,491,144	3,630,547
Sales and use taxes	2,560,775	3,016,254	--	--	2,560,775	3,016,254
Other taxes	2,194,907	2,343,600	--	--	2,194,907	2,343,600
Other	808,424	910,072	21,732	7,450	830,156	917,522
Total revenues	25,136,115	27,762,848	1,395,985	896,005	26,532,100	28,658,853
Expenses:						
Governmental activities:						
General government	5,896,826	6,972,403	--	--	5,896,826	6,972,403
Culture, recreation and tourism	86,845	122,928	--	--	86,845	122,928
Transportation and development	1,111,846	1,286,404	--	--	1,111,846	1,286,404
Public safety	349,369	371,326	--	--	349,369	371,326
Health and welfare	10,248,151	9,671,816	--	--	10,248,151	9,671,816
Corrections	686,957	727,095	--	--	686,957	727,095
Youth services	152,562	170,678	--	--	152,562	170,678
Conservation and environment	595,690	499,648	--	--	595,690	499,648
Education	6,599,451	7,136,960	--	--	6,599,451	7,136,960
Other	45,821	66,424	--	--	45,821	66,424
Intergovernmental	398,377	485,875	--	--	398,377	485,875
Interest on long-term debt	299,326	304,763	--	--	299,326	304,763
Business-type activities:						
Patient's Compensation	--	--	160,427	--	160,427	--
Unemployment Trust Fund	--	--	985,779	455,910	985,779	455,910
Other	--	--	344,750	335,166	344,750	335,166
Total expenses	26,471,221	27,816,320	1,490,956	791,076	27,962,177	28,607,396
Net increase (decrease) before transfers	(1,335,106)	(53,472)	(94,971)	104,929	(1,430,077)	51,457
Extraordinary item	--	(2,406)	--	--	--	(2,406)
Transfers In (out)	141,615	142,066	(141,615)	(142,066)	--	--
Net increase (decrease)	(1,193,491)	86,188	(236,586)	(37,137)	(1,430,077)	49,051
Net Assets–Beginning, as restated	18,709,568	18,435,518	2,228,815	2,538,061	20,938,383	20,973,579
Net Assets–Ending	$ 17,516,077	$ 18,521,706	$ 1,992,229	$ 2,500,924	$ 19,508,306	$ 21,022,630

Governmental Activities - Net assets decreased by $1 billion from prior year, with a $2.6 billion decrease in total revenue and a $1.3 billion decrease in total expenses. Approximately 44% of the total revenue came from operating grants and contributions, 29% from taxes, and 14% from charges for services (see chart below). Sales tax collections decreased by $455 million from the prior year. The largest expenses were for health and welfare (38.7%), education (24.9%) and general government (22.3%) as depicted in the second chart below.

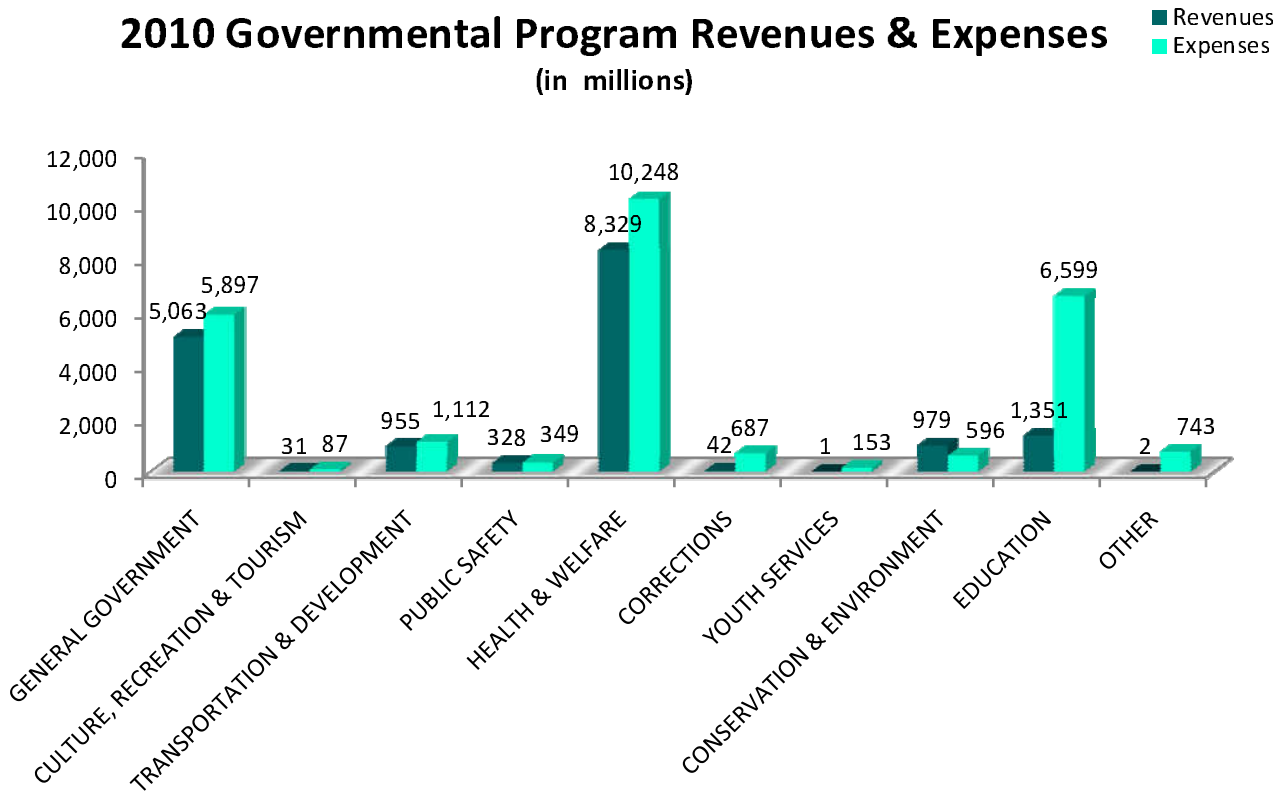
The following chart depicts the governmental activities' revenues by source for the fiscal year (in thousands):



The following chart depicts the governmental activities' expenses by function for the fiscal year (in thousands):

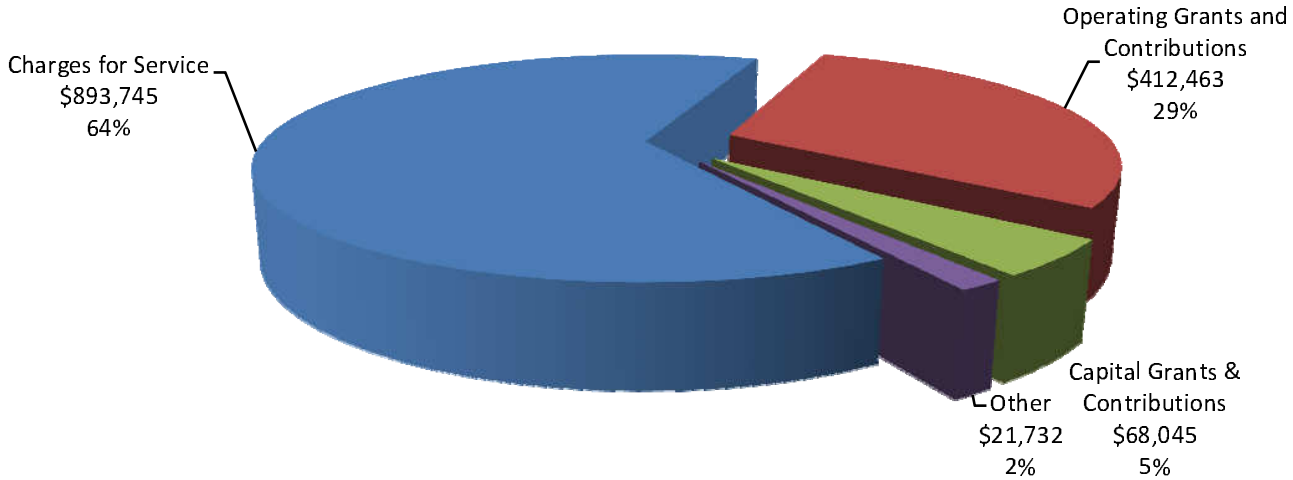


The following chart depicts the governmental activities' program revenues and expenses for the 2010 fiscal year:

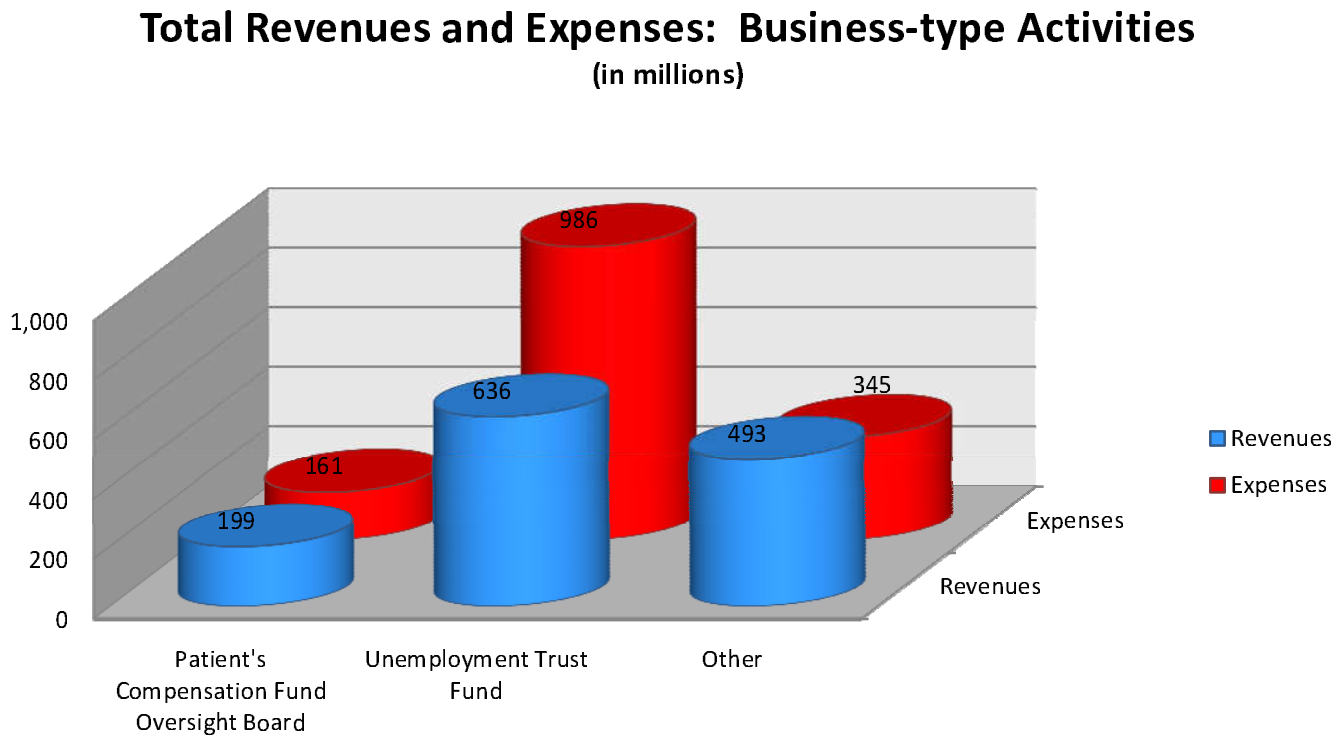


Business-Type Activities – Net assets decreased by $236 million (10.61%) from the prior year restated balance. Charges for Services of $894 million accounted for much of the total revenue (64%), while Operating Grants and Contributions provided $412 million (29%) and Capital Grants and Contributions provided $68 million (5%) of the total revenues. The largest component of business-type activity expenses was attributable to the Unemployment Trust Fund, which comprised 66% of the total. For fiscal year 2010, a deficit occurred for business-type activities because expenses and transfers exceeded revenues by $237 million.

The following chart depicts business-type activities' revenues for the 2010 fiscal year (in thousands):



The following chart depicts the business-type activities' revenues and expenses (including transfers) for fiscal year 2010:



Net assets of governmental activities decreased $1 billion as a result of a combination of decreases in both revenues and expenses; examples include Income Tax ($1.1 billion), Sales Tax ($455 million), and Capital Grants and Contributions ($484 million), which all declined. Other revenues reflected net decreases from the prior year ($548 million) as did expenditures ($1.3 billion). Net assets of business-type activities decreased $509 million. Information presented below provides further insight into the reasons behind these changes.

FINANCIAL ANALYSIS OF THE FUNDS OF THE STATE

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to assist in the management of its budgetary operations.

Governmental Funds

The major governmental funds are the General Fund, Bond Security and Redemption Fund, the Capital Outlay Escrow Fund, and Louisiana Education Quality Trust Fund. The General Fund is the main operating fund of the State. The Bond Security and Redemption Fund (BSRF) receives all monies deposited into the State Treasury except federal funds, donations, or other forms of assistance. The BSRF pays all obligations secured by the full faith and credit of the State that are due and payable in the current fiscal year. The Capital Outlay Escrow Fund accounts for the capital outlay expenditures of state government, state institutions and other public entities as appropriated by the annual Capital Outlay Act. The Louisiana Education Quality Trust Fund uses funds received from the federal government from mineral production or leases on the outer continental shelf; receipts are used to improve the quality of education in Louisiana.

The overall financial position of the General Fund decreased by $697 million from the prior year and the unreserved/undesignated fund balance decreased by $880 million (130%) resulting in a deficit balance of $201 million. General fund revenue for Fiscal Year 2010 decreased by 3% when compared to the prior fiscal year.

The following table ranks the revenue sources with the largest annual percentage growth and a $10 million or higher increase over the prior fiscal year:

Annual Revenue Increases Greater than $10 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Excise License (Insurance Premiums)	35.8	11.2
Various Agency Receipts	13.5	29.5

In this recessionary environment, few revenue sources are projected to show positive changes, compared to FY2008/09. The Excise License Tax is the only one that showed some strength in its collections. Various Agency Receipts reflects an increase in revenue due to a bond sale allocation included in this item.

The following table identifies revenue sources with a $50 million or more decline during Fiscal Year 2009/10:

Annual Revenue Decreases Greater than $50 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Individual Income Tax	-753.7	-25.4
Corporate Income Tax	-469.3	-76.6
Sales Tax	-455.0	-15.1
Corporate Franchise Tax	-181.1	-85.2
Lease Bonuses	-107.0	-79.8
Lease Royalties	-98.8	-19.1
Severance Tax	-92.9	-10.7

Individual Income Tax collections declined in response to numerous tax credits passed in previous legislative sessions, particularly continued phase-in of excess itemized deductions and the expansion of the taxable income brackets. The national recession's impact on the state's wages and employment also contributed to this decline. The General Sales Tax showed significant weakness in collections since early in the fiscal year and Corporate Income and Franchise Tax collections saw major reductions, fueled by the current recessionary environment. Lease Bonus revenues reverted to normal after the significant increase during last fiscal year, due to the Haynesville Shale exploration boom. Lease Royalties fell because oil prices decreased from their peaks in the previous fiscal year.

General Fund expenditures decreased by $1.9 billion (7.6%) from the previous year. The major reason that expenditures fell was due to the winding down of some of the disaster recovery programs that were created as a result of Hurricanes Katrina and Rita. Various recovery programs were created to provide for the restoration of infrastructure and buildings, assistance to small businesses, long-term loans to businesses for replacement or repair of buildings and equipment, funding for housing programs to compensate homeowners whose homes sustained major damage due to the hurricanes, and for other needs of the communities affected by these hurricanes. Although a significant amount of resources are still being expended on hurricane disaster recovery programs, such activity has declined as communities have been restored.

The Bond Security and Redemption Fund revenues decreased by $1.9 billion (14.5%) in fiscal year 2010, mainly due to decreased tax collections. The Louisiana Education Quality Trust Fund and the Louisiana Quality Education Support Funds reported interest earnings of $7.5 million (a 64.5% decrease) and an increase in the fair value of investments of $111 million.

Proprietary Funds

The major enterprise funds of the State are the Patient's Compensation Fund Oversight Board and Unemployment Trust Fund. The Unemployment Trust Fund accounts for 52% of the net assets of the enterprise funds. Combined net assets for the enterprise funds decreased by $509 million compared to the prior fiscal year's ending balance. This was primarily due to the addition of the Patient's Compensation Fund Oversight Board as a Major Fund in fiscal year 2010. In previous years, this fund was reported as a special revenue fund, which is a governmental fund. Last year, the fund reported a positive fund balance because it was reported using the modified accrual basis of accounting; the associated long-term liability was reported at the government-wide level only. This year, as a proprietary fund, the long-term liability

is included in the fund and creates negative unrestricted net assets of $234 million. In addition to the major funds, enterprise funds also include the Louisiana Lottery Corporation, the Municipal Facilities Revolving Loan Fund, the Drinking Water Revolving Loan Fund, and 8 other non-major enterprise funds.

The Unemployment Trust Fund accounts for the Unemployment Insurance Program in the State. Expenses for the Fund increased by more than $529 million (116%) and revenues increased by $310 million (95%). The national, state, and local economies have been in a recession since 2008, causing a high level of unemployment. The increase in expenditures reflects payment of unemployment benefits. The vast majority of the increase in revenues relates to draws of federally funded unemployment benefits, including additional federal grants received though the American Recovery and Reinvestment Act (ARRA) of 2009.

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental appropriations are usually approved before the end of the fiscal year based on revisions to estimated revenues by the Revenue Estimating Conference and the needs of various departments and programs. These supplemental appropriations are included in the final budget. Transfers between funds provide additional resources to make up the difference between revenues and expenditures. Final budgeted revenues were approximately $1.4 billion greater than originally budgeted, and final budgeted expenditures were approximately $1.8 billion greater than originally budgeted. Final budgeted revenues and expenditures in excess of original budgeted amounts include significant non-recurring budgets for the ARRA economic stimulus program and for remediation , economic recovery, and the other costs associated with the Deepwater Horizon Oil Spill.

The State is still recovering from the devastation caused by Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008. The U.S. Department of Housing and Urban Development provided grants for disaster recovery from the hurricanes. These programs are still in place and are the primary reason actual revenues and expenditures were less than the final budgeted amounts for FY 2010-- $4.7 billion for revenues and $6.0 billion for expenditures. The budgeted amount for the majority of federal grants is based upon the remaining grant balances, which naturally decrease each year as expenses are incurred. The entire amount of the remaining portion of the grants for disaster recovery programs, expected to have four remaining years on the grants, was placed in the State's budget for fiscal year 2010 because it was unknown how much money would be expended for the fiscal year. Ultimately, the State spent approximately $1.6 billion on the disaster recovery programs and was reimbursed by the federal government for these expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
(net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land	$ 2,198,173	$ 2,144,881	$ 5,667	$ 5,665	$ 2,203,840	$ 2,150,546
Buildings and Improvements	1,431,405	1,286,230	16,953	16,443	1,448,358	1,302,673
Equipment	210,711	246,142	6,475	7,040	217,186	253,182
Infrastructure	13,435,651	12,522,176	--	--	13,435,651	12,522,176
Intangible Assets	4,024	--	315	--	4,339	--
Construction-in-Progress	469,710	561,189	307,844	254,534	777,554	815,723
Total	$ 17,749,674	$ 16,760,618	$ 337,254	$ 283,682	$ 18,086,928	$ 17,044,300

Capital Assets

Investment in capital assets for governmental and business-type activities of the State as of June 30, 2010, totaled approximately $17.8 billion and $337 million (net of accumulated depreciation), respectively. Approximately 90% of combined governmental and business-type capital assets are depreciable. Investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The increase in investment in governmental capital assets for the current fiscal year is $989 million (5.9%). The majority of the increases in land and infrastructure can be attributed to the Transportation Infrastructure Model for Economic Development (TIMED) Program. This $4.6 billion improvement program involves specific transportation projects that include widening over 500 miles of state highways from two to four lanes to make Louisiana more attractive for companies moving goods from, into, and through the State; widening and/or new construction on three major bridges to expand shipping options; and improvements to the Port of New Orleans and Louis Armstrong International Airport to promote increased trade with Central and South American markets. An additional benefit of the TIMED Program is the improvement of vital north-south evacuation routes for southeast and southwest Louisiana.

Construction-in-progress for governmental activities decreased $91 million over last year due to the completion of several state park renovations and additions, including Bogue Chitto New State Park and Palmetto Island State Park. The completed projects were moved from construction-in-progress to the applicable asset class (buildings, infrastructure, or land improvements). Other completed projects included Grand Isle Marine Lab, the Louisiana School for Math, Science, and the Arts Annex building, and a number of other general government projects.

The investment in capital assets for business-type activities increased by $53 million over fiscal year 2009 because of ongoing construction-in-progress by the Louisiana Transportation Authority for improvement of Louisiana Highway 1 to enhance road accessibility to the Gulf of Mexico, one of the nation's major offshore oil and gas fields. The Louisiana Transportation Authority was created for the purpose of developing, improving, and maintaining an efficient intermodal transportation system in the State to promote the State's economic growth and ability to compete in regional, national, and global markets.

Refer to Note 5 – "Capital Assets" for more details of the changes in capital assets.

Outstanding Debt
General Obligation and Revenue Bonds
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
General obligation bonds	$ 2,467,675	$ 2,458,755	$ --	$ --	$ 2,467,675	$ 2,458,755
Revenue bonds and notes	3,869,615	3,897,812	195,800	195,800	4,065,415	4,093,612
Deferred Amounts	172,987	162,221	(31,235)	(32,124)	141,752	130,097
Total	$ 6,510,277	$ 6,518,788	$ 164,565	$ 163,676	$ 6,674,842	$ 6,682,464

Debt Administration

The State authorizes, issues, and sells debt obligations. General obligation bonds issued by the State are backed by the full faith and credit of the State. The State also issues revenue obligations, which are secured by a pledge of revenues or property derived from the operations of a program funded by the issuance of the obligations.

In fiscal year 2010, $200,000,000 in general obligation bonds were issued for the financing of certain capital projects. General obligation refunding bonds of $119,020,000 were also issued to advance refund the Series 1998-A bond issue. The Louisiana Bond Commission also authorized the issuance of $103,125,000 of Gasoline and Fuels Tax Revenue Bonds, Series 2010-A, for the purpose of refunding the Series 2009 A-2, which was used to finance TIMED specific highway and bridge projects associated with the Transportation Infrastructure Model for Economic Development. Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds, also known as Build America Bonds, were issued in the amount of $60,625,000. The Build America Bonds are taxable bonds, created by the American Recovery and Reinvestment Act to allow state and local governments to obtain funding, at lower borrowing costs, for new capital projects.

Bond ratings for general obligation debt remained at "AA-" as rated by Standard and Poor's. Moody's rating remained stable with an "A1" rating. Details on long-term debt, including debt authorization and limitations are discussed in Note 8, Long-Term Obligations.

ECONOMIC FACTORS

(The Louisiana Economic Outlook: 2011 and 2012, by Loren C. Scott, James A. Richardson, M. Dek Terrell, and Judy S. Collins, published in October 2010; the U.S. Census Bureau; and press releases from the Louisiana Department of Economic Development.)

Louisiana as a whole has done remarkably well during this "Great Recession." The U.S. economy began losing jobs in January 2008, experiencing a job decline of 6.1%; Louisiana did not begin losing jobs until January 2009. In fiscal year 2010 the unemployment rate in Louisiana was 7.2%, while the U.S. unemployment rate was 9.8% over the same period.

As in the past, Louisiana has done much better than the rest of the country due to its low dependence on durable goods (autos, furniture, electronics, etc). The lingering benefit of extra construction activity from the Go Zone legislation has protected the State from a serious economic decline.

The Deepwater Horizon drilling platform located in the Gulf of Mexico about 50 miles off the coast of Louisiana, exploded on April 20, 2010. Approximately 4.9 million barrels of oil leaked from the well before it was capped in August 2010. New environmental and safety regulations imposed after the Deepwater Horizon Oil Spill and proposed federal legislation of $36 billion in new taxes on the oil and gas extraction industry will have a major impact on Louisiana's economy.

Major economic achievements for Louisiana consist of new business development projects. Louisiana has made some major inroads in bringing new jobs into its economic system. Blade Dynamics will begin manufacturing advanced wind turbine blades and wind turbine components at the Michoud Assembly Facility in New Orleans. This move will establish an initial workforce of 200 jobs and Blade Dynamics has committed to create a total of 600 jobs by 2015. The average salary of the new jobs will be $48,000, plus benefits.

Work began in the summer of 2010 on the SNF Polymer's new water-soluble polymers manufacturing facility in Iberville Parish. The facility will operate under the name Flopam, Inc. and will create more than 500 new direct jobs when all phases of the $362 million facility are completed. In addition, the facility is expected to employ 100 permanent contractors and 250 construction-related jobs are expected to be created over the 5-year construction period.

Nucor Corporation will locate one of the largest industrial projects in Louisiana history in St. James Parish. Nucor will be constructing a direct reduced iron (DRI) facility as the first phase for the multiphase iron and steel project. Other phases include an additional DRI facility, a blast furnace and coke ovens, a pellet plant and a steel mill. The projects could create 1,250 jobs and include $3.4 billion in capital investment. Many indirect jobs will be created as a result of the above projects moving forward, with the employees of these companies establishing a need for goods and services to maintain their households.

Requests for Information

This financial report is designed to provide a general overview of the State's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information may be obtained by writing to the Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 or by telephoning (225) 342-0708. The component units of the State issue their own audited financial reports. Telephone numbers for these entities can also be obtained from the Office of Statewide Reporting and Accounting Policy. This report is available on our website at http://www.doa.la.gov/osrap/cafr-2.htm.

BASIC
FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET ASSETS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	COMPONENT UNITS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 6,358,387	$ 1,663,824	$ 8,022,211	$ 1,980,524
INVESTMENTS	3,418,013	391,112	3,809,125	1,524,776
DEFERRED OUTFLOW OF RESOURCES	112,380	--	112,380	14,259
RECEIVABLES (NET)	2,330,357	78,294	2,408,651	707,642
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	48,816
AMOUNTS DUE FROM COMPONENT UNITS	82,078	--	82,078	--
DUE FROM FEDERAL GOVERNMENT	2,003,706	7,487	2,011,193	90,360
INTERNAL BALANCES	19,908	(19,908)	--	--
INVENTORIES	75,152	5,469	80,621	51,791
PREPAYMENTS	355,231	122	355,353	40,766
NOTES RECEIVABLE	--	721,084	721,084	257,071
OTHER ASSETS	96,774	8,399	105,173	199,933
CAPITAL ASSETS (NOTE 5)				
LAND	2,198,173	5,667	2,203,840	476,250
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,431,405	16,953	1,448,358	2,922,309
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	210,711	6,475	217,186	455,015
INFRASTRUCTURE (NET OF DEPRECIATION)	13,435,651	--	13,435,651	405,982
INTANGIBLE ASSETS (NET OF AMORTIZATION)	4,024	315	4,339	6,130
CONSTRUCTION IN PROGRESS	469,710	307,844	777,554	584,082
TOTAL ASSETS	32,601,660	3,193,137	35,794,797	9,765,706
LIABILITIES				
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	3,169,723	17,832	3,187,555	485,045
ACCRUED INTEREST ON BONDS	51,662	--	51,662	--
DERIVATIVE INSTRUMENTS	112,380	--	112,380	56,574
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	82,078
AMOUNTS DUE TO COMPONENT UNITS	48,816	--	48,816	--
DUE TO FEDERAL GOVERNMENT	466,725	602	467,327	4,028
DUE TO LOCAL GOVERNMENTS	31,909	--	31,909	--
UNEARNED REVENUE	561,071	103,437	664,508	307,811
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	28,270
OTHER LIABILITIES	25,962	68,666	94,628	14,582
CURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	18,558	786	19,344	20,298
CAPITAL LEASE OBLIGATIONS	3,759	36	3,795	5,272
NOTES PAYABLE	71	62	133	27,227
BONDS PAYABLE	374,693	--	374,693	188,107
POLLUTION REMEDIATION OBLIGATIONS	62,572	--	62,572	51
ESTIMATED LIABILITY FOR CLAIMS	143,346	122,727	266,073	243
OTHER LONG-TERM LIABILITIES	3,600	--	3,600	17,519
NONCURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	208,435	1,949	210,384	200,850
CAPITAL LEASE OBLIGATIONS	2,756	56	2,812	56,537
NOTES PAYABLE	46	1,656	1,702	91,905
BONDS PAYABLE	6,135,584	164,565	6,300,149	3,491,186
OPEB PAYABLE	1,644,125	16,830	1,660,955	971,855
POLLUTION REMEDIATION OBLIGATIONS	21,521	--	21,521	125
ESTIMATED LIABILITY FOR CLAIMS	1,935,280	650,723	2,586,003	159,695
OTHER LONG-TERM LIABILITIES	62,989	50,981	113,970	83,430
TOTAL LIABILITIES	15,085,583	1,200,908	16,286,491	6,292,688
NET ASSETS				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	14,737,911	170,960	14,908,871	3,224,616
RESTRICTED FOR:				
CAPITAL PROJECTS	10,000	10,951	20,951	26,998
DEBT SERVICE	3,038	--	3,038	151,680
UNEMPLOYMENT COMPENSATION	--	946,139	946,139	--
OTHER PURPOSES	2,574,360	91,195	2,665,555	164,897
PERMANENT FUNDS AND ENDOWMENTS:				
NONEXPENDABLE	1,033,021	--	1,033,021	592,293
EXPENDABLE	1,475,895	--	1,475,895	795,784
UNRESTRICTED	(2,318,148)	772,984	(1,545,164)	(1,483,250)
TOTAL NET ASSETS	$ 17,516,077	$ 1,992,229	$ 19,508,306	$ 3,473,018

The notes to the financial statement are an integral part of this statement.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT: TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	$ 5,896,826	$ 1,962,589	$ 1,357,983	$ 1,742,041	$ (834,213)		$ (834,213)	
CULTURE, RECREATION, AND TOURISM	86,845	17,281	8,014	5,958	(55,592)		(55,592)	
TRANSPORTATION AND DEVELOPMENT	1,111,846	70,665	136,300	748,416	(156,465)		(156,465)	
PUBLIC SAFETY	349,369	280,500	46,868	408	(21,593)		(21,593)	
HEALTH AND WELFARE	10,248,151	295,799	8,031,731	1,542	(1,919,079)		(1,919,079)	
CORRECTIONS	686,957	38,520	1,222	2,707	(644,508)		(644,508)	
YOUTH SERVICES	152,562	--	501	--	(152,061)		(152,061)	
CONSERVATION AND ENVIRONMENT	595,690	688,756	287,111	3,162	383,339		383,339	
EDUCATION	6,599,451	60,329	1,268,622	22,415	(5,248,085)		(5,248,085)	
OTHER	45,821	--	--	--	(45,821)		(45,821)	
INTERGOVERNMENTAL	398,377	1,425	--	--	(396,952)		(396,952)	
INTEREST ON LONG-TERM DEBT	299,326	--	--	--	(299,326)		(299,326)	
TOTAL GOVERNMENTAL ACTIVITIES	26,471,221	3,415,864	11,138,352	2,526,649	(9,390,356)		(9,390,356)	
BUSINESS-TYPE ACTIVITIES:								
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	160,427	183,576	--	--		$ 23,149	23,149	
UNEMPLOYMENT TRUST FUND	985,779	245,023	391,458	--		(349,298)	(349,298)	
NONMAJOR ENTERPRISE FUNDS	344,750	465,146	21,005	68,045		209,446	209,446	
TOTAL BUSINESS-TYPE ACTIVITIES	1,490,956	893,745	412,463	68,045		(116,703)	(116,703)	
TOTAL PRIMARY GOVERNMENT	$ 27,962,177	$ 4,309,609	$ 11,550,815	$ 2,594,694	(9,390,356)	(116,703)	(9,507,059)	
COMPONENT UNITS:								
STATE UNIVERSITIES:								
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,456,529	$ 2,053,471	$ 579,454	$ 111,637				$ (711,967)
UNIVERSITY OF LOUISIANA SYSTEM	1,105,111	381,106	187,200	51,224				(485,581)
SOUTHERN UNIVERSITY SYSTEM	261,122	48,581	67,517	8,640				(136,384)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	460,288	64,373	86,296	23,728				(285,891)
BOARD OF REGENTS	91,219	1,249	12,130	--				(77,840)
AUTHORITIES:								
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION (UNAUDITED)	220,661	173,233	--	--				(47,428)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	132,971	40,561	16,175	31,584				(44,651)
LOUISIANA UTILITIES RESTORATION CORPORATION	53,050	145,951	--	--				92,901
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	50,424	5,991	100	16,098				(28,235)
OTHER COMPONENT UNITS	582,784	71,183	305,969	15,945				(189,687)
TOTAL COMPONENT UNITS	$ 6,414,159	$ 2,985,699	$ 1,254,841	$ 258,856				(1,914,763)
GENERAL REVENUES:								
INCOME TAXES					2,491,144		2,491,144	
SALES TAXES					2,560,775		2,560,775	
SEVERANCE TAXES					776,464		776,464	
GASOLINE TAXES, restricted for transportation					624,554		624,554	
TOBACCO TAXES					135,927		135,927	
MISCELLANEOUS TAXES					657,962		657,962	
TOBACCO SETTLEMENT, restricted for education, health and welfare					142,279		142,279	
GAMING					668,235		668,235	
UNRESTRICTED INVESTMENT EARNINGS					(9,301)		(9,301)	
MISCELLANEOUS					338		338	1,339,269
OTHER					6,873	21,732	28,605	1,142,119
TRANSFERS					141,615	(141,615)	--	--
TOTAL GENERAL REVENUES AND TRANSFERS					8,196,865	(119,883)	8,076,982	2,481,388
CHANGE IN NET ASSETS					(1,193,491)	(236,586)	(1,430,077)	566,625
NET ASSETS - BEGINNING AS RESTATED					18,709,568	2,228,815	20,938,383	2,906,393
NET ASSETS - ENDING					$ 17,516,077	$ 1,992,229	$ 19,508,306	$ 3,473,018

The notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major Funds

GENERAL FUND

The General Fund, the principal operating fund of the State, was established administratively to provide for the distribution of funds appropriated by the State Legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are accounted for in the General Fund. Revenues are provided from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt service requirements have been met.

BOND SECURITY AND REDEMPTION FUND

This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations or other forms of assistance when the terms and conditions of the related agreements require otherwise.

Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the state, due and payable, within the current fiscal year, including principal, interest, premiums, and sinking or reserve funds. Except as other wise provided by law, money remaining in the fund is credited to the General Fund.

LOUISIANA EDUCATION QUALITY TRUST FUND

Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the Treasurer in this fund. The funds are held in a trustee capacity and interest earned is used for various educational purposes.

CAPITAL OUTLAY ESCROW FUND

The Capital Outlay Escrow Fund was created to provide for the capital outlay expenditures of the State as appropriated in the annual capital outlay appropriations act. The fund accounts for a large volume of ongoing and new construction, routine maintenance and repairs, as well as repairs and renovations related to the damage caused by hurricanes. The fund is financed by bond issues, federal funds, self-generated revenues, statutory dedications, and appropriations by the Louisiana Legislature.

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
CASH AND CASH EQUIVALENTS	$ 1,035,570	$ 385,704	$ 1,404,618	$ 143,133	$ 3,383,109	$ 6,352,134
INVESTMENTS	28,255	--	32,543	853,167	2,401,951	3,315,916
RECEIVABLES (NET)	344,085	1,377,666	34,188	--	11,125	1,767,064
DUE FROM OTHER FUNDS	1,041,868	224,063	171,963	19,557	771,332	2,228,783
AMOUNTS DUE FROM COMPONENT UNITS	74,742	7,336	--	--	--	82,078
DUE FROM FEDERAL GOVERNMENT	1,708,911	--	--	--	88,791	1,797,702
INVENTORIES	72,113	--	--	--	--	72,113
PREPAYMENTS	354,727	--	--	--	--	354,727
OTHER ASSETS	577	--	11,855	--	--	12,432
TOTAL ASSETS	$ 4,660,848	$ 1,994,769	$ 1,655,167	$ 1,015,857	$ 6,656,308	$ 15,982,949
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	$ 2,034,137	$ --	$ 258,288	$ --	$ 39,936	$ 2,332,361
OTHER PAYABLES	114,603	332,276	--	--	--	446,879
DUE TO OTHER FUNDS	540,945	1,001,894	20,406	--	645,626	2,208,871
AMOUNTS DUE TO COMPONENT UNITS	10,144	--	13,296	--	25,376	48,816
DUE TO FEDERAL GOVERNMENT	466,725	--	--	--	--	466,725
DUE TO LOCAL GOVERNMENTS	--	--	--	--	31,909	31,909
DEFERRED REVENUES	395,618	660,599	165,176	--	--	1,221,393
ESTIMATED LIABILITY FOR CLAIMS	134,260	--	--	--	--	134,260
OTHER LIABILITIES	--	--	--	--	60,032	60,032
TOTAL LIABILITIES	3,696,432	1,994,769	457,166	--	802,879	6,951,246
FUND BALANCES:						
RESERVED FOR:						
DEBT SERVICE	--	--	--	--	131,686	131,686
INVENTORIES	72,113	--	--	--	--	72,113
ENCUMBRANCES	121,314	--	--	--	97,785	219,099
CONTINUING PROJECTS	--	--	--	--	370,927	370,927
CONSTRUCTION	--	--	1,197,758	--	137,492	1,335,250
TRUST PRINCIPAL	--	--	--	1,015,857	17,164	1,033,021
OTHER SPECIFIC PURPOSES	820,322	--	--	--	79,688	900,010
UNRESERVED / DESIGNATED, REPORTED IN:						
GENERAL FUND	152,118	--	--	--	--	152,118
SPECIAL REVENUE FUNDS	--	--	--	--	16,355	16,355
DEBT SERVICE FUNDS	--	--	--	--	614	614
CAPITAL PROJECTS FUNDS	--	--	243	--	--	243
PERMANENT FUNDS	--	--	--	--	34,832	34,832
UNRESERVED / UNDESIGNATED, REPORTED IN:						
GENERAL FUND	(201,451)	--	--	--	--	(201,451)
SPECIAL REVENUE FUNDS	--	--	--	--	3,570,449	3,570,449
PERMANENT FUNDS	--	--	--	--	1,396,437	1,396,437
TOTAL FUND BALANCES	964,416	--	1,198,001	1,015,857	5,853,429	9,031,703
TOTAL LIABILITIES AND FUND BALANCES	$ 4,660,848	$ 1,994,769	$ 1,655,167	$ 1,015,857	$ 6,656,308	$ 15,982,949

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

(Expressed in Thousands)

Total Fund Balances - Governmental Funds		$ 9,031,703
Amounts reported for governmental activities in the Statement of Net Assets are different due to the following:		
Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. These assets consist of the following:		
Land	$ 2,197,872	
Buildings and Improvements	2,057,242	
Machinery and Equipment	788,457	
Infrastructure	23,628,000	
Intangible Assets	11,205	
Construction in Progress	469,710	
Accumulated Depreciation and Amortization	(11,404,792)	17,747,694
Net assets of the Internal Service Funds are reported separately in the proprietary funds, but are consolidated for the government-wide statements.		48,618
Commodities inventory is not reported in the funds. Ending inventory must be reported on the government-wide statements.		2,307
Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. These costs are deferred on the Statement of Net Assets.		81,136
The annual required contributions of certain pension trust funds have been under-funded, creating a year-end liability, which is not reported in the funds.		(24,282)
The other postemployment benefits (OPEB) annual required contributions of certain governmental funds have been under-funded, creating a year-end liability, which is not reported in the funds.		(1,637,469)
The pollution remediation obligations established under GASB 49 represent amounts not accrued at the fund level because of their long-term nature.		(24,093)
Some liabilities are not due and payable in the current period and are not reported in the funds. These liabilities consist of the following:		
Compensated Absences	(226,235)	
Capital Lease Obligations	(6,515)	
Bonds Payable	(6,510,277)	
Estimated Liabilities for Claims	(1,944,366)	
Accrued Interest Payable	(51,662)	
Termination Benefits	(1,648)	(8,740,703)
Some of the State's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and are deferred or not reported in the funds. Those revenues consist of the following:		
Accounts Receivable	553,376	
Due From Federal Government	206,004	
Deferred Revenues	660,599	
Other Assets	(380)	
Prepayments	473	1,420,072
Some payables do not meet the criteria for reporting under the modified accrual basis of accounting and are not reported in the fund level statements.		(388,906)
Net Assets of Governmental Activities		$ 17,516,077

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
INTERGOVERNMENTAL REVENUES	$ 12,381,334	$ 16,925	$ 242,022	$ --	$ 829,343	$ 13,469,624
TAXES	--	7,311,660	--	--	151,232	7,462,892
GAMING	--	671,527	--	--	--	671,527
TOBACCO SETTLEMENT	--	58,729	--	--	88,112	146,841
USE OF MONEY AND PROPERTY	781	786,091	(1,504)	25,724	196,888	1,007,980
LICENSES, PERMITS, AND FEES	--	565,849	--	--	67,751	633,600
SALES OF COMMODITIES AND SERVICES	--	933,549	--	--	--	933,549
OTHER	59,735	586,656	--	--	59,730	706,121
TOTAL REVENUES	12,441,850	10,930,986	240,518	25,724	1,393,056	25,032,134
EXPENDITURES						
CURRENT:						
GENERAL GOVERNMENT	4,911,766	--	--	--	--	4,911,766
CULTURE, RECREATION, AND TOURISM	71,088	--	--	--	--	71,088
TRANSPORTATION AND DEVELOPMENT	424,007	--	--	--	--	424,007
PUBLIC SAFETY	296,083	--	--	--	--	296,083
HEALTH AND WELFARE	9,497,394	--	--	--	--	9,497,394
CORRECTIONS	612,723	--	--	--	--	612,723
YOUTH SERVICES	138,506	--	--	--	--	138,506
CONSERVATION AND ENVIRONMENT	463,913	--	--	--	--	463,913
EDUCATION	6,319,886	--	--	--	--	6,319,886
OTHER	21,284	9,995	--	--	242,390	273,669
INTERGOVERNMENTAL	398,377	--	--	--	92,766	491,143
CAPITAL OUTLAY	--	--	2,384,130	--	--	2,384,130
DEBT SERVICE:						
PRINCIPAL RETIREMENT	38,270	185,595	--	--	44,840	268,705
INTEREST AND FISCAL CHARGES	30,306	113,045	--	--	156,258	299,609
TOTAL EXPENDITURES	23,223,603	308,635	2,384,130	--	536,254	26,452,622
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,781,753)	10,622,351	(2,143,612)	25,724	856,802	(1,420,488)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN	11,596,634	146,100	2,287,308	16,460	3,172,203	17,218,705
TRANSFERS OUT	(1,512,245)	(10,781,014)	(41,633)	--	(4,742,198)	(17,077,090)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	--	(125,997)	--	--	--	(125,997)
LONG-TERM DEBT ISSUED	--	138,560	200,000	--	60,459	399,019
TOTAL OTHER FINANCING SOURCES (USES)	10,084,389	(10,622,351)	2,445,675	16,460	(1,509,536)	414,637
NET CHANGE IN FUND BALANCES	(697,364)	--	302,063	42,184	(652,734)	(1,005,851)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,677,560	--	895,938	973,673	6,506,163	10,053,334
DECREASE IN RESERVES FOR INVENTORIES	(15,780)	--	--	--	--	(15,780)
FUND BALANCES AT END OF YEAR	$ 964,416	$ --	$ 1,198,001	$ 1,015,857	$ 5,853,429	$ 9,031,703

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

(Expressed in Thousands)

Net Change in Fund Balances - Total Governmental Funds		$ (1,005,851)
Amounts reported for governmental activities in the Statement of Activities are different due to the following:		
Governmental funds report capital outlays as expenditures. In the Statements of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. Those capital outlay expenditures consist of the following:		
Land	$ 53,292	
Buildings and Improvements	139,658	
Machinery and Equipment	(12,564)	
Infrastructure	913,475	
Intangible Assets	4,024	
Construction in Progress	(75,040)	1,022,845
Revenues and expenses in the statement of activities that do not provide current financial resources are not reported as revenues and expenditures in the funds.		(521,451)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term bonded debt in the Statement of Net Assets.		
Bond Proceeds and Premiums Received	(399,020)	
Repayment of Bond Principal	268,892	
Payment to Refunded Bond Escrow Agent	125,997	(4,131)
The net results of current year operations of internal service funds is included in the net income of the proprietary funds, but is presented as part of the primary government for government-wide statements.		(4,928)
Certain expenditures are reported in the funds. However, they either increase or decrease long-term liabilities reported on the Statement of Net Assets and have been eliminated from the Statement of Activities. Those expenditures consists of:		
Compensated Absences	(1,012)	
Capital Lease Obligations	4,954	
Accrued Interest Payable	(45,247)	
Estimated Liabilities for Claims	(207,420)	
Unamortized Bond Premium	15,253	
OPEB Payable	(427,121)	
Pollution Remediation Obligations	3,479	
Termination Benefits	(1,648)	
Deferred Charges - Bond Discounts	(450)	
Deferred Charges - Issuance Costs	(5,328)	(664,540)
Revenues and expenses relating to changes in inventory are not reported in the funds. Current year inventory activity must be reported on the government-wide statements.		(15,435)
Change in Net Assets of Governmental Activities		$ (1,193,491)

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

PROPRIETARY FUND FINANCIAL STATEMENTS

Major Funds

UNEMPLOYMENT TRUST FUND

The Unemployment Trust Fund accounts for the unemployment insurance contributions from employers and for the payment of unemployment benefits to eligible claimants.

PATIENT'S COMPENSATION FUND OVERSIGHT BOARD

The purpose of the Patient's Compensation Fund Oversight Board is to guarantee that affordable, medical malpractice coverage is available to all private healthcare providers by establishing and maintaining surcharge rates that are held to moderate levels and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

BALANCE SHEET

PROPRIETARY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 374,458	$ 1,021,041	$ 267,215	$ 1,662,714	$ 6,253
INVESTMENTS	256,732	--	34,557	291,289	71,807
RECEIVABLES (NET)	5,395	54,446	18,385	78,226	9,917
DUE FROM FEDERAL GOVERNMENT	--	7,069	418	7,487	--
INVENTORIES	--	--	5,469	5,469	732
PREPAYMENTS	--	--	122	122	31
NOTES RECEIVABLE	--	--	18,843	18,843	--
OTHER CURRENT ASSETS	--	--	21	21	483
TOTAL CURRENT ASSETS	636,585	1,082,556	345,030	2,064,171	89,223
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	--	--	1,110	1,110	--
INVESTMENTS	76	--	96,074	96,150	30,290
RECEIVABLES	--	--	68	68	--
INVESTMENTS	--	--	3,673	3,673	--
NOTES RECEIVABLE	--	--	702,241	702,241	--
CAPITAL ASSETS (NOTE 5)					
LAND	--	--	5,667	5,667	301
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	--	16,953	16,953	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	37	--	6,438	6,475	1,679
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	315	315	--
CONSTRUCTION IN PROGRESS	--	--	307,844	307,844	--
OTHER NONCURRENT ASSETS	--	--	8,378	8,378	3,103
TOTAL NONCURRENT ASSETS	113	--	1,148,761	1,148,874	35,373
TOTAL ASSETS	$ 636,698	$ 1,082,556	$ 1,493,791	$ 3,213,045	$ 124,596
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 189	$ --	$ 17,643	$ 17,832	$ 1,577
DUE TO OTHER FUNDS	--	6,953	12,955	19,908	4
DUE TO FEDERAL GOVERNMENT	--	602	--	602	--
DEFERRED REVENUES	91,832	7,027	4,360	103,219	277
OTHER CURRENT LIABILITIES	2,952	33,566	32,148	68,666	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	99	--	687	786	46
CAPITAL LEASE OBLIGATIONS	--	--	36	36	--
CLAIMS AND LITIGATION PAYABLE	122,727	--	--	122,727	--
NOTES PAYABLE	--	--	62	62	71
OTHER LONG-TERM LIABILITIES	--	--	--	--	3,600
TOTAL CURRENT LIABILITIES	217,799	48,148	67,891	333,838	5,575
NONCURRENT LIABILITIES:					
NON-CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	131	--	1,818	1,949	712
CAPITAL LEASE OBLIGATIONS	--	--	56	56	--
DEFERRED REVENUES	--	--	218	218	--
CLAIMS AND LITIGATION PAYABLE	650,673	--	50	650,723	--
NOTES PAYABLE	--	--	1,656	1,656	46
BONDS PAYABLE (NET OF UNAMORTIZED DISCOUNTS)	--	--	164,565	164,565	--
OPEB PAYABLE	2,093	--	14,737	16,830	6,656
OTHER LONG-TERM LIABILITIES	--	--	50,981	50,981	62,989
TOTAL NONCURRENT LIABILITIES	652,897	--	234,081	886,978	70,403
TOTAL LIABILITIES	870,696	48,148	301,972	1,220,816	75,978
NET ASSETS					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	37	--	170,923	170,960	1,863
RESTRICTED FOR CAPITAL PROJECTS	--	--	10,951	10,951	--
RESTRICTED FOR DEBT SERVICE	--	--	--	--	30,290
RESTRICTED FOR UNEMPLOYMENT COMPENSATION	--	946,139	--	946,139	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	76	88,269	2,850	91,195	--
UNRESTRICTED	(234,111)	--	1,007,095	772,984	16,465
TOTAL NET ASSETS	(233,998)	1,034,408	1,191,819	1,992,229	48,618
TOTAL LIABILITIES AND NET ASSETS	$ 636,698	$ 1,082,556	$ 1,493,791	$ 3,213,045	$ 124,596

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ --	$ --	$ 416,586	$ 416,586	$ 65,433
ASSESSMENTS	183,287	194,473	5,378	383,138	--
USE OF MONEY AND PROPERTY	--	50,550	10,165	60,715	22,269
LICENSES, PERMITS, AND FEES	289	--	30,233	30,522	--
FEDERAL GRANTS AND CONTRACTS	--	390,892	21,005	411,897	--
OTHER	--	566	2,784	3,350	182
TOTAL OPERATING REVENUES	183,576	636,481	486,151	1,306,208	87,884
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	156,263	--	272,674	428,937	52,249
ADMINISTRATIVE	4,147	--	65,027	69,174	39,346
DEPRECIATION	17	--	2,081	2,098	908
AMORTIZATION	--	--	353	353	(392)
UNEMPLOYMENT INSURANCE BENEFITS	--	985,779	--	985,779	--
TOTAL OPERATING EXPENSES	160,427	985,779	340,135	1,486,341	92,111
OPERATING INCOME (LOSS)	23,149	(349,298)	146,016	(180,133)	(4,227)
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	(1,023)	(1,023)	--
USE OF MONEY AND PROPERTY	15,172	--	3,072	18,244	12,754
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	315	315	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	(568)	(568)	(106)
INTEREST EXPENSE	--	--	(55)	(55)	(14,310)
OTHER REVENUES	--	--	3,173	3,173	961
OTHER EXPENSES	--	--	(2,969)	(2,969)	--
TOTAL NONOPERATING REVENUES (EXPENSES)	15,172	--	1,945	17,117	(701)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	38,321	(349,298)	147,961	(163,016)	(4,928)
CAPITAL CONTRIBUTIONS	--	--	68,045	68,045	--
TRANSFERS OUT	(10)	(6,760)	(134,845)	(141,615)	--
CHANGE IN NET ASSETS	38,311	(356,058)	81,161	(236,586)	(4,928)
TOTAL NET ASSETS - BEGINNING AS RESTATED	(272,309)	1,390,466	1,110,658	2,228,815	53,546
TOTAL NET ASSETS - ENDING	$ (233,998)	$ 1,034,408	$ 1,191,819	$ 1,992,229	$ 48,618

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES					
CASH RECEIVED FROM CUSTOMERS	$ 190,846	$ 575,440	$ 267,537	$ 1,033,823	$ 87,782
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,609)	--	(76,208)	(77,817)	(77,978)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(2,062)	--	(33,750)	(35,812)	(12,057)
CLAIMS PAID TO OUTSIDERS	(120,867)	(980,459)	(55,326)	(1,156,652)	--
OTHER OPERATING REVENUES	--	50,550	17,412	67,962	41
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	66,308	(354,469)	119,665	(168,496)	(2,212)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
PROCEEDS FROM SALE OF BONDS	--	--	11,230	11,230	--
PRINCIPAL PAID ON BONDS	--	--	(11,300)	(11,300)	--
TRANSFERS OUT	(10)	(6,760)	(134,504)	(141,274)	--
OTHER	--	--	(303)	(303)	2,514
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(10)	(6,760)	(134,877)	(141,647)	2,514
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
PROCEEDS FROM SALE OF BONDS	--	--	66,000	66,000	99,055
PRINCIPAL PAID ON BONDS	--	--	(66,000)	(66,000)	(122,005)
INTEREST PAID ON BOND MATURITIES	--	--	--	--	(14,951)
PRINCIPAL PAID ON NOTES PAYABLE	--	--	(2,476)	(2,476)	(372)
INTEREST PAID ON NOTES PAYABLE	--	--	(56)	(56)	(13)
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(21)	--	(10,377)	(10,398)	(482)
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	856	856	--
CAPITAL CONTRIBUTIONS	--	--	30,304	30,304	--
OTHER	--	--	89	89	33,855
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(21)	--	18,340	18,319	(4,913)
CASH FLOWS FROM INVESTING ACTIVITIES					
PURCHASES OF INVESTMENT SECURITIES	(157,392)	--	(93,570)	(250,962)	(17,213)
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	217,944	--	116,980	334,924	19,723
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	7,469	--	2,027	9,496	997
NET CASH PROVIDED BY INVESTING ACTIVITIES	68,021	--	25,437	93,458	3,507
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	134,298	(361,229)	28,565	(198,366)	(1,104)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	240,160	1,382,270	239,760	1,862,190	7,357
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 374,458	$ 1,021,041	$ 268,325	$ 1,663,824	$ 6,253
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 23,149	$ (349,298)	$ 146,016	$ (180,133)	$ (4,227)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
DEPRECIATION/AMORTIZATION	17	--	2,434	2,451	516
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	24	24	--
OTHER	--	--	(1,169)	(1,169)	--
CHANGES IN ASSETS AND LIABILITIES					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	1,753	(14,603)	1,248	(11,602)	(77)
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	(5,573)	(335)	(5,908)	--
(INCREASE)DECREASE IN PREPAYMENTS	--	--	379	379	(11)
(INCREASE)DECREASE IN INVENTORIES	--	--	123	123	175
(INCREASE)DECREASE IN OTHER ASSETS	--	--	(16,016)	(16,016)	45
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	(23)	--	(1,108)	(1,131)	(228)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	10	--	91	101	(1)
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	3,285	50	3,335	--
INCREASE(DECREASE) IN DEFERRED REVENUES	7,153	(1)	319	7,471	45
INCREASE(DECREASE) IN OPEB PAYABLE	485	--	3,411	3,896	1,596
INCREASE(DECREASE) IN OTHER LIABILITIES	33,764	11,721	(15,802)	29,683	(45)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 66,308	$ (354,469)	$ 119,665	$ (168,496)	$ (2,212)

(Continued)

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2010
LOUISIANA STATE BOARD OF MEDICAL EXAMINERS	
INTEREST ON CERTIFICATES OF DEPOSITS RE-INVESTED	36
LOUISIANA LOTTERY CORPORATION	
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,138
INTEREST ACCRUED ON DEPOSITS WITH MULTI-STATE LOTTERY ASSOCIATION	74
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	37,732

(Concluded)

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUNDS

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others. The Louisiana Asset Management Pool is the only investment trust fund of the State.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government. Currently, the Louisiana Education Tuition and Savings Fund is the only private-purpose trust fund Louisiana maintains.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity and do not involve measurement of results of operations. Among the largest of the agency funds are the Escrow Fund, Insurance Trusts, Payroll Clearing Fund, and the Miscellaneous Agency Funds.

Four separate pension trust funds are maintained for state government employees, teachers, and law enforcement officers. The pension funds are as follows:

- Louisiana School Employees' Retirement System
- Louisiana State Employees' Retirement System
- Louisiana State Police Retirement System
- Teachers' Retirement System of Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND *	PRIVATE PURPOSE TRUST FUND	AGENCY FUNDS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 251,537	$ 6,287	$ 7,526	$ 308,164
RECEIVABLES:				
EMPLOYER CONTRIBUTIONS	147,651	--	--	--
MEMBER CONTRIBUTIONS	78,370	--	--	--
INVESTMENT PROCEEDS	62,789	--	--	--
INTEREST AND DIVIDENDS	60,533	479	726	--
OTHER	14,391	--	171	141,470
TOTAL RECEIVABLES	363,734	479	897	141,470
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	906,954	743,566	--	--
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	1,429,760	1,130,610	75,967	--
BONDS - DOMESTIC	1,878,783	--	--	--
BONDS - INTERNATIONAL	1,062,512	--	--	--
MARKETABLE SECURITIES - DOMESTIC	5,907,871	--	--	--
MARKETABLE SECURITIES - INTERNATIONAL	5,259,111	--	--	--
ALTERNATIVE INVESTMENTS	4,889,708	--	--	--
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	2,092,050	--	--	--
REPURCHASE AGREEMENTS	--	150,000	--	--
OTHER	2,003	--	170,352	162,028
TOTAL INVESTMENTS	23,428,752	2,024,176	246,319	162,028
OTHER ASSETS	--	8	--	417
PROPERTY, PLANT AND EQUIPMENT (NET)	18,812	33	--	--
TOTAL ASSETS	24,062,835	2,030,983	254,742	612,079
LIABILITIES				
ACCOUNTS PAYABLE	14,241	160	2,596	--
INVESTMENT COMMITMENTS PAYABLE	130,602	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	455,816
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	2,139,838	--	--	--
OPEB PAYABLE	13,998	--	--	--
REFUNDS PAYABLE AND OTHER	25,809	36	--	--
OTHER LIABILITIES	--	--	--	156,263
TOTAL LIABILITIES	2,324,488	196	2,596	612,079
NET ASSETS				
HELD IN TRUST FOR:				
EMPLOYEES' PENSION BENEFITS	21,738,347	--	--	--
INVESTMENT POOL PARTICIPANTS	--	2,030,787	--	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	252,146	--
TOTAL NET ASSETS	$ 21,738,347	$ 2,030,787	$ 252,146	$ --

* Louisiana Asset Management Pool has a December 31 fiscal year end.

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND *	PRIVATE PURPOSE TRUST FUND
ADDITIONS			
CONTRIBUTIONS:			
EMPLOYER	$ 1,236,307	$ --	$ --
MEMBERS	580,240	--	--
POOL PARTICIPANTS (DEPOSITS)	--	2,360,386	--
TOTAL CONTRIBUTIONS	1,816,547	2,360,386	--
INVESTMENT INCOME:			
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,901,472	241	12,949
INTEREST AND DIVIDENDS	490,927	4,562	5,771
ALTERNATIVE INVESTMENT INCOME	275,478	--	--
LESS ALTERNATIVE INVESTMENT EXPENSES	(58,844)	--	--
GAIN ON SALE OF INVESTMENT	--	76	--
SECURITIES LENDING INCOME	53,069	--	--
LESS SECURITIES LENDING EXPENSES	965	--	--
OTHER INVESTMENT INCOME	6,337	3,559	--
LESS INVESTMENT EXPENSE OTHER THAN SECURITIES LENDING	(56,182)	--	--
NET INVESTMENT INCOME	2,613,222	8,438	18,720
OTHER INCOME	79,642	--	49,451
TOTAL ADDITIONS	4,509,411	2,368,824	68,171
DEDUCTIONS			
RETIREMENT BENEFITS	2,537,470	--	--
REFUNDS OF CONTRIBUTIONS	79,361	--	--
ADMINISTRATIVE EXPENSES	39,668	2,441	--
DEPRECIATION AND AMORTIZATION EXPENSES	2,786	--	--
DISTRIBUTIONS TO POOL PARTICIPANTS	--	2,187,974	--
OTHER	278	1	16,019
TOTAL DEDUCTIONS	2,659,563	2,190,416	16,019
CHANGE IN NET ASSETS HELD IN TRUST FOR:			
EMPLOYEES' PENSION BENEFITS	1,849,848	--	--
INVESTMENT POOL PARTICIPANTS	--	178,408	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	52,152
NET ASSETS - BEGINNING OF YEAR	19,888,499	1,852,379	199,994
NET ASSETS - END OF YEAR	$ 21,738,347	$ 2,030,787	$ 252,146

* Louisiana Asset Management Pool has a December 31 fiscal year end.

The notes to the financial statements are an integral part of this statement.

COMPONENT UNIT FINANCIAL STATEMENTS

COMPONENT UNIT FINANCIAL STATEMENTS

Major Component Units

COLLEGES AND UNIVERSITIES

The College and University Funds are used to account for all transactions relating to public institutions of higher education which are reported in the following systems:

- Louisiana State University System includes Louisiana State University and A&M College and Louisiana State University Agricultural Center at Baton Rouge, Louisiana State University at Alexandria, Louisiana State University at Eunice, Louisiana State University Medical Center at New Orleans, Louisiana State University Medical Center at Shreveport, University of New Orleans at New Orleans, Paul M. Hebert Law Center at Baton Rouge, and Pennington Biomedical Research Center at Baton Rouge. Louisiana State University's Board of Supervisors also operates the general medical facilities in the state.

- Southern University System includes Southern University and A&M College at Baton Rouge, Southern University at New Orleans, and Southern University at Shreveport.

- University of Louisiana System includes Grambling State University at Grambling, Louisiana Tech University at Ruston, McNeese State University at Lake Charles, Nicholls State University at Thibodaux, Southeastern Louisiana University at Hammond, Northwestern State University at Natchitoches, University of Louisiana at Monroe, and University of Louisiana at Lafayette.

- Louisiana Community and Technical College System includes seven community colleges, two technical community colleges and one technical college with forty campuses.

- Board of Regents is the policy making board for each of the university systems listed above and each System's Board of Supervisors.

LOUISIANA STADIUM AND EXPOSITION DISTRICT

The purpose of the district is to plan, finance, construct, develop, maintain, and operate facilities, including an enclosed and covered stadium within the district for various sporting events, exhibitions, and public meetings. The District is responsible for servicing and retiring the principal and interest on all bonds issued.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST

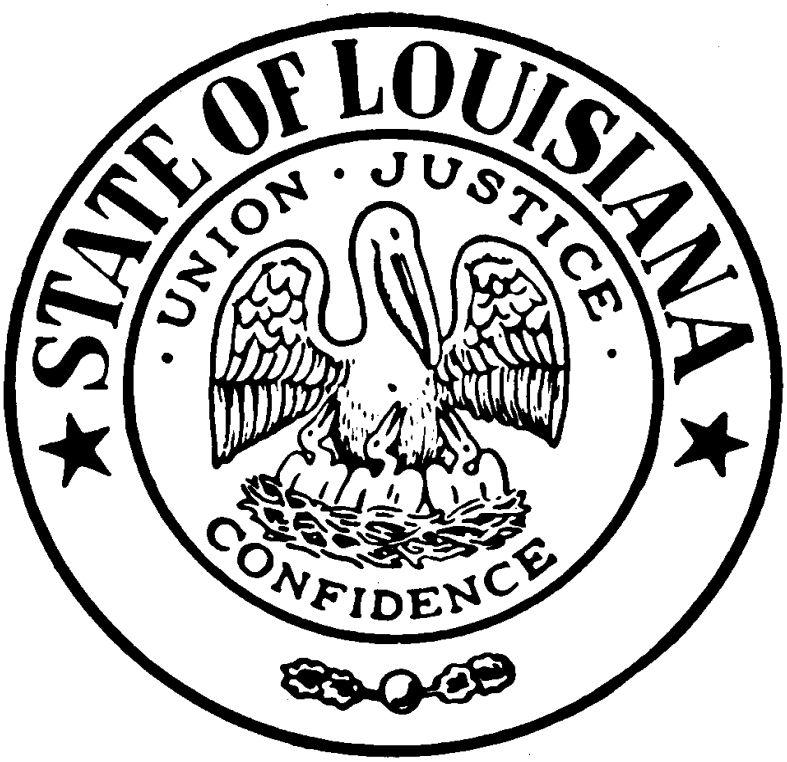
These two authorities, reported together, were created to provide regional coordination of flood protection. They exercise all authority, management, oversight, and control of the Boards of Commissioners East and West, portions of parishes lying east of the Mississippi River, and the following levee districts: East Jefferson, Lake Borgne Basin, Orleans, St. Tammany, Tangipahoa, Algiers, West Jefferson, St. Charles Parish, and St. John the Baptist Parish. St. Charles Parish and St. John the Baptist Parish Levee Districts are included in the authorities for voting purposes only. Their financial information is reported in the Pontchartrain Levee District, which is reported as a nonmajor component unit.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

This nonprofit insurance corporation was created in 2003 to provide insurance to residential and commercial property owners who are in good faith entitled, but unable, to procure insurance through the voluntary insurance marketplace.

LOUISIANA UTILITIES RESTORATION CORPORATION

This nonprofit entity provides alternate financing mechanisms to the Public Service Commission and the New Orleans City Council to attract low-cost capital to finance utility company system restoration and capital contributions to financially strengthen and stabilize. The corporation issues bonds and the proceeds are provided to the utility companies to assist with restoration cost.


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING BALANCE SHEET

COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE UNIVERSITY SYSTEM	UNIVERSITY OF LOUISIANA SYSTEM	SOUTHERN UNIVERSITY SYSTEM	LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM
ASSETS				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	$ 677,516	$ 196,675	$ 19,388	$ 112,868
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--	--
INVESTMENTS	238,984	15,872	3,109	--
RESTRICTED INVESTMENTS	--	--	--	--
DEFERRED OUTFLOW OF RESOURCES	--	--	--	--
RECEIVABLES (NET)	339,720	53,494	18,921	27,512
PLEDGES RECEIVABLE (NET)	11,487	737	149	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	5,438	605	666	1,557
DUE FROM FEDERAL GOVERNMENT	42,538	12,247	16,337	12,093
INVENTORIES	38,006	6,937	483	494
PREPAYMENTS	15,857	9,761	1,404	1,443
NOTES RECEIVABLE	3,714	4,047	147	--
OTHER CURRENT ASSETS	14,711	2,960	3,858	1
TOTAL CURRENT ASSETS	1,387,971	303,335	64,462	155,968
NONCURRENT ASSETS:				
RESTRICTED ASSETS:				
CASH	111,690	145,432	34,999	90,037
INVESTMENTS	633,156	221,724	6,204	4,117
RECEIVABLES (NET)	--	4,209	--	--
NOTES RECEIVABLE	27,121	26,627	--	22
OTHER	29,980	164	--	--
INVESTMENTS	21,254	--	--	--
NOTES RECEIVABLE	--	10	--	--
PLEDGES RECEIVABLE (NET)	31,674	1,856	--	--
CAPITAL ASSETS (NOTE 5)				
LAND	133,551	53,068	7,165	24,373
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,262,980	818,800	183,202	183,025
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	302,105	63,642	15,404	26,233
INFRASTRUCTURE (NET OF DEPRECIATION)	45,253	2,642	9,214	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	1,071	--	12	--
CONSTRUCTION IN PROGRESS	220,731	97,384	67,615	56,493
OTHER NONCURRENT ASSETS	48,334	16,124	1,838	3,336
TOTAL NONCURRENT ASSETS	2,868,900	1,451,682	325,653	387,636
TOTAL ASSETS	$ 4,256,871	$ 1,755,017	$ 390,115	$ 543,604
LIABILITIES				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	$ 186,105	$ 37,918	$ 12,211	$ 24,421
DERIVATIVE INSTRUMENTS	--	--	--	--
AMOUNTS DUE TO PRIMARY GOVERNMENT	72,021	5	--	7,512
DUE TO FEDERAL GOVERNMENT	3,223	--	--	41
DEFERRED REVENUES	99,535	26,812	12,070	26,448
AMOUNTS HELD IN CUSTODY FOR OTHERS	21,929	4,362	740	1,239
OTHER CURRENT LIABILITIES	1,572	4,724	4,376	--
CURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	--	--	68
COMPENSATED ABSENCES PAYABLE	10,912	3,876	794	1,167
CAPITAL LEASE OBLIGATIONS	2,728	338	444	367
ESTIMATED LIABILITY FOR CLAIMS	--	--	243	--
NOTES PAYABLE	8,081	378	1,154	--
BONDS PAYABLE	20,413	7,674	1,119	5,485
POLLUTION REMEDIATION OBLIGATIONS	--	51	--	--
OTHER LONG-TERM LIABILITIES	1,465	4,619	--	3,339
TOTAL CURRENT LIABILITIES	427,984	90,757	33,151	70,087
NONCURRENT LIABILITIES:				
NONCURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	--	--	256
COMPENSATED ABSENCES PAYABLE	130,056	33,536	12,836	17,498
CAPITAL LEASE OBLIGATIONS	46,139	340	724	3,505
ESTIMATED LIABILITY FOR CLAIMS	--	--	234	--
NOTES PAYABLE	5,425	2,015	38,232	--
BONDS PAYABLE	619,549	445,979	72,900	230,704
OPEB PAYABLE	498,920	261,953	65,928	88,654
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--
OTHER LONG-TERM LIABILITIES	69,555	4,698	1,876	--
TOTAL NONCURRENT LIABILITIES	1,369,644	748,521	192,730	340,617
TOTAL LIABILITIES	1,797,628	839,278	225,881	410,704
NET ASSETS:				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,412,509	641,312	177,027	127,931
RESTRICTED FOR:				
CAPITAL PROJECTS	--	--	--	--
DEBT SERVICE	--	--	--	--
NONEXPENDABLE	392,070	182,984	12,713	4,526
EXPENDABLE	480,151	212,043	40,393	58,999
OTHER PURPOSES	--	--	--	--
UNRESTRICTED	174,513	(120,600)	(65,899)	(58,556)
TOTAL NET ASSETS	2,459,243	915,739	164,234	132,900
TOTAL LIABILITIES AND NET ASSETS	$ 4,256,871	$ 1,755,017	$ 390,115	$ 543,604

* As of December 31, 2009.

The notes to the financial statements are an integral part of this statement.

BOARD OF REGENTS	LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION *	LOUISIANA STADIUM AND EXPOSITION DISTRICT	LOUISIANA UTILITIES RESTORATION CORPORATION	SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	NONMAJOR COMPONENT UNITS	TOTAL COMPONENT UNITS
$ 2,821	$ 105,073	$ 27,775	$ --	$ 97,498	$ 136,476	$ 1,376,090
--	--	--	75,187	841	76,986	153,014
--	--	--	--	8,034	79,122	345,121
--	--	--	--	--	797	797
--	--	14,259	--	--	--	14,259
212	73,740	23,908	15,290	6,910	57,518	617,225
--	--	--	--	--	--	12,373
15,338	--	16,927	--	19	8,266	48,816
4,310	--	--	--	--	2,835	90,360
--	--	98	--	406	5,367	51,791
1	11,077	43	--	--	1,180	40,766
--	--	--	--	--	9,174	17,082
--	18	--	--	766	5,737	28,051
22,682	189,908	83,010	90,477	114,474	383,458	2,795,745
--	--	22,831		--	46,431	451,420
--	183,316	--	--	--	40,140	1,088,657
--	--	841	--	--	39,464	44,514
--	--	--	--	--	176,599	230,369
--	--	--	--	--	5,203	35,347
--	--	--	--	--	68,947	90,201
--	--	--	--	--	9,610	9,620
--	--	--	--	--	--	33,530
--	--	13,944	--	41,891	202,258	476,250
--	--	281,722	--	49,979	142,601	2,922,309
3,055	545	9,066	--	4,305	30,660	455,015
--	--	--	--	150,424	198,449	405,982
--	3,633	--	--	--	1,414	6,130
--	--	47,231	--	25,749	68,879	584,082
--	48,417	33	4,800	--	13,653	136,535
3,055	235,911	375,668	4,800	272,348	1,044,308	6,969,961
$ 25,737	$ 425,819	$ 458,678	$ 95,277	$ 386,822	$ 1,427,766	$ 9,765,706
$ 21,388	$ 93,852	$ 45,952	$ 21,001	$ 4,159	$ 35,644	$ 482,651
--	--	56,574	--	--	--	56,574
1,343	--	270	--	--	927	82,078
--	--	--	--	--	764	4,028
--	118,763	9,219	--	36	14,928	307,811
--	--	--	--	--	--	28,270
--	--	10	--	38	3,862	14,582
--	--	--	--	893	1,177	2,138
104	55	368	--	337	2,685	20,298
1,226	--	--	--	--	169	5,272
--	--	--	--	--	--	243
--	--	--	--	3,346	14,268	27,227
--	36,030	--	88,797	1,025	27,564	188,107
--	--	--	--	--	--	51
--	--	--	--	16	8,080	17,519
24,061	248,700	112,393	109,798	9,850	110,068	1,236,849
--	--	--	--	--	--	256
831	--	--	--	825	5,268	200,850
5,653	--	--	--	--	176	56,537
--	130,921	--	--	24,983	3,557	159,695
--	--	7,500	--	33,416	5,317	91,905
--	914,576	274,258	782,724	3,893	146,603	3,491,186
2,566	947	--	--	6,093	46,794	971,855
--	--	--	--	--	125	125
--	--	--	--	567	6,734	83,430
9,050	1,046,444	281,758	782,724	69,777	214,574	5,055,839
33,111	1,295,144	394,151	892,522	79,627	324,642	6,292,688
(3,824)	4,178	76,273	--	267,429	521,781	3,224,616
--	--	--	--	1,168	25,830	26,998
--	123,288	13,370	--	313	14,709	151,680
--	--	--	--	--	--	592,293
4,198	--	--	--	--	--	795,784
--	--	23,672	--	2,235	138,990	164,897
(7,748)	(996,791)	(48,788)	(797,245)	36,050	401,814	(1,483,250)
(7,374)	(869,325)	64,527	(797,245)	307,195	1,103,124	3,473,018
$ 25,737	$ 425,819	$ 458,678	$ 95,277	$ 386,822	$ 1,427,766	$ 9,765,706

COMBINING STATEMENT OF ACTIVITIES

COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,456,529	$ 2,053,471	$ 579,454	$ 111,637	$ (711,967)
UNIVERSITY OF LOUISIANA SYSTEM	1,105,111	381,106	187,200	51,224	(485,581)
SOUTHERN UNIVERSITY SYSTEM	261,122	48,581	67,517	8,640	(136,384)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	460,288	64,373	86,296	23,728	(285,891)
BOARD OF REGENTS	91,219	1,249	12,130	--	(77,840)
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION * (UNAUDITED)	220,661	173,233	--	--	(47,428)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	132,971	40,561	16,175	31,584	(44,651)
LOUISIANA UTILITIES RESTORATION CORPORATION	53,050	145,951	--	--	92,901
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	50,424	5,991	100	16,098	(28,235)
NONMAJOR COMPONENT UNITS	582,784	71,183	305,969	15,945	(189,687)
TOTAL COMPONENT UNITS	$ 6,414,159	$ 2,985,699	$ 1,254,841	$ 258,856	$ (1,914,763)

	GENERAL REVENUES			NET ASSETS	
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 610,847	$ 430,752	$ 329,632	$ 2,129,611	$ 2,459,243
UNIVERSITY OF LOUISIANA SYSTEM	314,699	168,650	(2,232)	917,971	915,739
SOUTHERN UNIVERSITY SYSTEM	66,201	66,024	(4,159)	168,393	164,234
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	155,405	123,588	(6,898)	139,798	132,900
BOARD OF REGENTS	73,224	1,440	(3,176)	(4,198)	(7,374)
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION * (UNAUDITED)	--	122,029	74,601	(943,926)	(869,325)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	18,200	42,339	15,888	48,639	64,527
LOUISIANA UTILITIES RESTORATION CORPORATION	--	56	92,957	(890,202)	(797,245)
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	2,787	49,311	23,863	283,332	307,195
NONMAJOR COMPONENT UNITS	97,906	137,930	46,149	1,056,975	1,103,124
TOTAL COMPONENT UNITS	$ 1,339,269	$ 1,142,119	$ 566,625	$ 2,906,393	$ 3,473,018

* As of December 31, 2009.

The notes to the financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1 Summary of Significant Accounting Policies

Note 2 Deposits and Investments

Note 3 Accounts Receivable and Accounts Payable

Note 4 Interfund Accounts and Transfers

Note 5 Capital Assets

Note 6 Employee Benefits – Pensions

Note 6A Employee Benefits – Other Postemployment Benefits (OPEB)

Note 6B Employee Benefits – Termination Benefits

Note 7 Leases

Note 8 Long-Term Obligations

Note 9 Contingencies

Note 10 Fund Balance/Net Assets Disclosures

Note 11 Other Disclosures

Note 12 Subsequent Events

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Louisiana (State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements present the financial position and results of operations of the various funds of the State and the cash flows of the proprietary funds as of and for the year ended June 30, 2010.

A. REPORTING ENTITY

The State reporting entity consists of the various departments, agencies, activities, and organizational units that are within the control and authority of the Louisiana Legislature and/or constitutional officers of the State. The State, like the United States, has three branches of government – legislative (bicameral), executive, and judicial.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units,* a legally separate entity is considered a component unit of the State if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading or incomplete.

Depending upon the closeness of their relationship with the State, some component units are blended with the State reporting entity, while others are discretely reported.

The following component units were evaluated to identify those entities whose financial activities should be blended with the primary government, discretely reported, or disclosed in the Notes to the Basic Financial Statements as a related organization, a joint venture, or a jointly governed organization.

Blended Component Units

A component unit is considered blended and therefore would be included in the reporting entity's financial statements if the component unit's governing body is substantively the same as the governing body of the primary government, or if the component unit provides services exclusively, or almost exclusively, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. The following blended component units provide services almost exclusively to the primary government: Louisiana Lottery Corporation, Tobacco Settlement Financing Corporation, Louisiana Correctional Facilities Corporation, Louisiana Office Building Corporation, Office Facilities Corporation, Louisiana Coastal Protection and Restoration Financing Corporation, Louisiana Transportation Authority, and the various retirement systems.

Louisiana Lottery Corporation, 555 Laurel Street, Baton Rouge, LA 70801-1813, a nonprofit corporation, conducts and administers the State lottery to ensure the integrity of the lottery and maintain the dignity of the State and the general welfare of its people. The board of directors consists of nine members appointed by the Governor.

Tobacco Settlement Financing Corporation, P.O. Box 44154, Baton Rouge, LA 70804-4154, a special purpose, public corporate entity, is responsible for financing, purchasing, and managing 60% of the tobacco assets and related incidental activities for the State of Louisiana. The board of directors consists of thirteen members, seven appointed by the Governor.

Louisiana Correctional Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, acquires and finances correctional facilities for lease to the State and is authorized to issue revenue bonds for its purposes. The board of directors consists of five members appointed by the Governor.

Louisiana Office Building Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit quasi-public corporation, was created to construct, acquire and lease buildings and facilities on behalf of and for the benefit of the State and may finance such acquisitions by issuing revenue bonds. The board of directors consists of a designee of the Governor, the Commissioner of Administration, and the director of the Office of Facility Planning and Control.

Office Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, finances the acquisition or construction of public facilities for lease to the State through the issuance of revenue bonds. The board of directors consists of five members appointed by

the Governor.

Louisiana Coastal Protection and Restoration Financing Corporation, P.O. Box 94004, Baton Rouge, LA 70804-9004, carries out the financing, purchasing, and managing of the offshore royalty revenues and offshore royalty revenue assets. The board of directors consists of fifteen members, seven appointed by the Governor. The entity had no activity in the 2010 fiscal year.

Louisiana Transportation Authority, P.O. Box 94245, Baton Rouge, LA 70804, a nonprofit corporation was established in 2001 to promote, plan, finance, construct, operate, and maintain specific tollways or transitways constructed within Louisiana. The board of directors consists of nine members, including the Governor, the Department of Transportation and the Department of Economic Development secretaries, President of the Senate and Speaker of the House of Representatives.

Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, LA 70804-4516, was established in 1947 for the benefit of non-instructional personnel of the Louisiana public school system.

Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, was established in 1947 to benefit all State employees except those excluded by statute.

Louisiana State Police Retirement System, 3100 Brentwood Drive, Suite B, Baton Rouge, LA 70809-1752, was established in 1938 for the benefit of commissioned law enforcement officers as well as the secretary and deputy secretary of the Department of Public Safety.

Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123, was established in 1936 for the benefit of public school teachers.

Discretely Presented Component Units

Discretely presented component units are reported in separate columns to emphasize that they are legally separate from the State. The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations through budgetary oversight.

Board of Regents, 1201 North Third Street, Suite 6-200, Baton Rouge, LA 70802, is the policy-making board for the four higher education systems of the State.

Board of Supervisors of the Louisiana State University System, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, is the managing and supervising board for the Louisiana State University System (LSU), which includes the following campuses:

- LSU and A&M College at Baton Rouge
- LSU Agricultural Center at Baton Rouge
- LSU at Alexandria
- LSU at Eunice
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU at Shreveport
- University of New Orleans at New Orleans
- Paul M. Hebert Law Center at Baton Rouge
- Pennington Biomedical Research Center at Baton Rouge

The Board of Supervisors of the LSU System also operates the following general medical facilities in the State:

- Dr. Walter O. Moss Regional Medical Center at Lake Charles
- Earl K. Long Medical Center at Baton Rouge
- Huey P. Long Medical Center at Pineville
- Lallie Kemp Regional Medical Center at Independence
- Medical Center of Louisiana at New Orleans including Charity Hospital and University Hospital
- Leonard J. Chabert Medical Center at Houma
- University Medical Center at Lafayette
- Bogalusa Medical Center at Bogalusa
- University Hospital Shreveport
- E.A. Conway Medical Center in Monroe

Board of Supervisors of the University of Louisiana System, 1201 North Third Street, Suite 7-300, Baton Rouge, LA 70802, is the managing and supervising board for the following regional universities:

- Grambling State University at Grambling
- Louisiana Tech University at Ruston
- McNeese State University at Lake Charles
- Nicholls State University at Thibodaux
- University of Louisiana at Monroe
- Northwestern State University at Natchitoches
- Southeastern Louisiana University at Hammond
- University of Louisiana at Lafayette

Board of Supervisors of the Southern University System, P.O. Box 10878, Baton Rouge, LA 70813, is the managing and supervising board of the Southern University System, which includes the following campuses:

- Southern University and A&M College at Baton Rouge
- Southern University at New Orleans
- Southern University at Shreveport
- Southern University Law Center at Baton Rouge
- Southern University Agricultural Research and Extension Center at Baton Rouge

Board of Supervisors of the Louisiana Community and Technical College System, 265 S. Foster Drive, Baton Rouge, LA 70806, is the managing and supervising board of seven community colleges, two technical community colleges, and the Louisiana Technical College with 40 branch campuses.

The board of the following discretely presented component unit is appointed by and serves at the pleasure of the Governor.

Louisiana Stadium and Exposition District, P.O. Box 52439, New Orleans, LA 70152, is responsible for financing and operating an enclosed covered stadium, as well as other related facilities and structures for holding sporting events, athletic contests, exhibitions, and other events of public interest.

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations.

Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010, was created to construct, operate, and maintain the Greater New Orleans Expressway. The fiscal year end of the commission is October 31.

Kenner Naval Museum Commission, 2538 Williams Blvd., Kenner, LA 70062, is responsible for the public display, maintenance, and restoration of the aircraft carrier U.S.S. Cabot-Dedalo and other naval museum vessels.

Levee Districts provide services necessary to ensure adequate drainage control and to protect lands within their respective districts from damage by flood and include:

- Amite River Basin Drainage and Water Conservation District, 3535 S. Sherwood Forest Blvd., Suite 135 Baton Rouge, LA 70816
- Atchafalaya Basin Levee District, P.O. Box 170, Port Allen, LA 70767
- Bayou D'Arbonne Lake Watershed District, P.O. Box 696, Farmerville, LA 71241. The district has a December 31 fiscal year end.
- Bossier Levee District, P.O. Box 8279, Bossier City, LA 71113
- Caddo Levee District, P.O. Box 78282, Shreveport, LA 71137-8282
- Fifth Louisiana Levee District, 102 Burnside Drive, Tallulah, LA 71282
- Lafitte Area Independent Levee District, 2654 Jean Lafitte Blvd., Lafitte, LA 70067
- Lafourche Basin Levee District, P.O. Box 670, Vacherie, LA 70090. The district has a December 31 fiscal year end.
- Natchitoches Levee and Drainage District, P.O. Box 1036, Natchitoches, LA 71458
- North Bossier Levee and Drainage District, established by Act 321 of the 2009 regular session. No members have been appointed, and the entity had no activity in the 2010 fiscal year.
- Nineteenth Louisiana Levee District, P.O. Box 267, Colfax, LA 71417
- North Lafourche Conservation, Levee and Drainage District, P.O. Box 230, Raceland, LA 70394. The district has a December 31 fiscal year end.
- Pontchartrain Levee District, P.O. Box 426, Lutcher, LA 70071
- Red River, Atchafalaya, and Bayou Boeuf Levee District, P.O. Box 8235, Alexandria, LA 71306
- Red River Levee and Drainage District, P.O. Box 433, Coushatta, LA 71019
- South Lafourche Levee District, P.O. Box 426, Galliano, LA 70354
- Tensas Basin Levee District, P.O. Box 68, Rayville, LA 71269

Louisiana Agricultural Finance Authority, P.O. Box 3481, Baton Rouge, LA 70821-3481, was created to alleviate the severe shortage of capital and credit available for investment in agriculture in the State and to promote agriculture and forestry in Louisiana.

Louisiana Board of Cosmetology, 11622 Sunbelt Court, Baton Rouge, LA 70809, regulates and licenses members of the Cosmetology industry to maintain public health and welfare standards set by the State of Louisiana.

Louisiana International Deep Water Gulf Transfer Terminal Authority, 195 Strawberry Street, Slidell, LA 70460, was created to position Louisiana as an international hub for cargo ships. The entity had no activity in the 2010 fiscal year.

Louisiana Motor Vehicle Commission, 3519 12th Street, Metairie, LA 70002-3427, regulates all areas of the new car industry, including motor vehicle sales finance companies in Louisiana.

Louisiana Naval War Memorial Commission, 305 South River Road, Baton Rouge, LA 70802, has control over the destroyer U.S.S. Kidd or other naval memorial vessels.

Louisiana Public Facilities Authority, 2237 S. Acadian Thruway, Suite 650, Baton Rouge, LA 70808, is a public trust authorized to issue obligations and provide funds to finance projects and programs in the best interest of the citizens of Louisiana. The authority has a December 31 fiscal year end.

Louisiana State Board of Private Investigator Examiners, 2051 Silverside Dr., Suite 190, Baton Rouge, LA 70808,

regulates and licenses persons and businesses providing private investigative services.

Louisiana Used Motor Vehicle Commission, 3132 Valley Creek Dr., Baton Rouge, LA 70808, administers and enforces statutory provisions regarding the sale of used motor vehicles and parts.

Louisiana Utilities Restoration Corporation, 602 North 5th St. 12th Floor, Baton Rouge, LA 70821-9154, serves to finance utility system restoration costs.

Millennium Port Authority, 538 Clayton Court, Slidell, LA 70461-5710, was dissolved in fiscal year 2009. Act 423 of the 2010 regular session abolished the Millennium Port Authority effective 7/1/2010.

Ouachita Expressway Authority, P.O. Box 2653, West Monroe, LA 71294, provides a well-maintained limited access highway system and promotes economic growth. The entity had no activity in the 2010 fiscal year.

Poverty Point Reservoir District, P.O. Box 811, Delhi, LA 71232, was created to develop a multi-faceted water resource and recreation lake.

Relay Administration Board, P.O. Box 91154, Baton Rouge, LA 70821-9154, is charged with oversight of telephone relay services for the State, insuring equal access to telecommunications services for all hearing and speech impaired citizens. The board has a December 31 fiscal year end.

Road Home Corporation, P.O. Box 4549, Baton Rouge, LA 70821, was created for the acquisition, disposition, purchase, renovation, leasing, or expansion of housing stock to help Louisiana residents displaced by the hurricanes get back into a home or apartment as quickly and fairly as possible.

Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, is charged with the development of Toledo Bend resources within the State.

Although the State does not appoint a voting majority of the boards of the entities listed below, they are fiscally dependent on the State.

Greater Baton Rouge Port Commission, P.O. Box 380, Port Allen, LA 70767-0380, regulates commerce and traffic within the port area. The fiscal year end of the port commission is December 31.

Capital Area Human Services District, 4615 Government Street, Building 2, Baton Rouge, LA 70806, was established to direct the operation of community-based programs and services relative to public health, mental health, developmental disabilities, and addictive disorder services for the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Pointe Coupee, West Baton Rouge, and West Feliciana.

Florida Parishes Human Services Authority, 11236 Hwy. 16 West, Amite, LA 70422, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington parishes.

Jefferson Parish Human Services Authority, 3300 W. Esplanade Avenue, Suite 213, Metairie, LA 70002, was established to provide administration, management, and operation of mental health, developmental disabilities, and addictive disorders services for the residents of Jefferson parish.

Metropolitan Human Services District, 400 Poydras Street, Suite 1800, New Orleans, LA 70130, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Orleans, St. Bernard, and Plaquemines parishes.

Louisiana Economic Development Corporation, P.O. Box 94185, Baton Rouge, LA 70804-9185, was established to serve as the single review board and administrator of the Department of Economic Development's financial assistance programs, such as loan guarantees and venture capital for small- and medium-sized businesses.

Due to the nature and significance of the relationship between the following entities and the State, the financial statements would be misleading or incomplete if they were excluded.

Louisiana Asset Management Pool (LAMP), 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130-9957, is a cooperative endeavor to establish an external local government investment pool administered by the State Treasurer. LAMP has a December 31 fiscal year end.

Louisiana Cancer Research Center, 1615 Poydras St., Suite 1000, New Orleans, LA 70112, conducts research and promotes education in the diagnosis, detection, and treatment of cancer.

Louisiana Citizens Property Insurance Corporation, 433 Metairie Road, Suite 600, Metairie, LA 70005, is a nonprofit organization created to provide insurance plans to residential and commercial property applicants who are unable to procure insurance through the voluntary market. Louisiana Citizens Property Insurance has a December 31 fiscal year end.

Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, LA 70808, is authorized to undertake various programs to assist in financing housing needs of persons of low and moderate incomes and may issue bonds or other evidence of indebtedness to accomplish its purposes.

Southeast Louisiana Flood Protection Authority-East, 6508 Spanish Fort. Blvd., New Orleans, LA 70124-4322, and Southeast Louisiana Flood Protection Authority-West, 7001 River Road, Marrero, LA 70072, were created to provide regional coordination of flood protection. These two authorities are reported together as the Southeast Louisiana Flood Protection Authority-East and West (SLFPA-East and West). Entities under SLFPA-East and West for fiscal year 2010 include the Board of Commissioners-SLFPA-East, Board of Commissioners-SLFPA-West, Algiers Levee District, East Jefferson Levee District, Lake Borgne Basin Levee District, Orleans Levee District, and West Jefferson Levee District.

White Lake Preservation, Inc, 710 W. Prien Lake Road, Suite 202A, Lake Charles, LA 70601, operates, manages, and supervises all activities on the White Lake Property consistent with the "Conservation Purposes".

Related Organizations

Related organizations are those entities for which a primary government's accountability does not extend beyond appointing a voting majority of the board. The State is not financially accountable for the following related organizations, and they are not reported in the accompanying basic financial statements.

- Algiers Park Commission
- Allen Parish Reservoir District
- Ascension-St. James Airport and Transportation Authority
- Associated Branch Pilots of the Port of Lake Charles
- Associated Branch Pilots of the Port of New Orleans
- Bayou Desiard Restoration Commission
- Bayou Lafourche Fresh Water District
- Castor Creek Reservoir District
- Crescent River Port Pilots' Association
- Ernest N. Morial New Orleans Exhibition Hall Authority
- Fourteenth and Sixteenth Wards Neighborhood Development District
- Gentilly Taxing District
- Grand Isle Independent Levee District
- Greater Ouachita Port Commission
- John K. Kelly Grand Bayou Reservoir District
- Louisiana Disaster Recovery Foundation, Inc.
- New Orleans and Baton Rouge Steamship Pilots' Association
- North Lafayette Redevelopment Authority
- Parish Hospital Service Districts
- River Parishes Transit Authority
- River Region Cancer Screening and Early Detection District
- St. Mary Levee District
- Seventh Ward Neighborhood Development District
- South Tangipahoa Parish Port Commission
- Southwest Acadiana Parishes Public Housing Rehabilitation District
- Terrebonne Levee and Conservation District
- Twelfth and Thirteenth Wards Neighborhood Development District
- West Ouachita Parish Reservoir Commission

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (1) an ongoing financial interest or (2) an ongoing financial responsibility. The purposes of a joint venture are to pool resources and share the costs, risks, and rewards of providing goods or services to venture participants directly, or for the benefit of the general public or specific service recipients.

The Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, participates equally with the Sabine River Authority of Texas in the Sabine River Compact Administration (Compact) and through the Sabine River Authority, with the Sabine River Authority of Texas, 450 Spur 135, Burkeville, TX 75932, in the Toledo Bend Joint Operation (Joint Operation). Separate financial statements are prepared for the operations of both the Compact and the Joint Operation and may be obtained by contacting the entities at the addresses above. The Compact was created under authority granted by an act of the Congress of the United States to provide equitable apportionment of the waters of the Sabine River and its tributaries. A five-member board composed of two members appointed by the governors of each state and one non-voting, ex-officio member appointed by the President of the United States administers the Compact. The Joint Operation was established by joint resolution of the Sabine River Authorities of Texas and Louisiana for the construction and operation of the Toledo Bend Dam and Reservoir project administered by a board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Costs of the Compact not paid by the federal government are to be paid equally by the two States, which share equally in the costs of the Joint Operation. Each State owns an undivided one-half share of all lands acquired for the project, and each State owns and is entitled to 50% of the water produced and 50% of the power generated by the Joint Operation and may sell, use, or otherwise dispose of

its share without consent and permission of the other Authority.

The Sabine River Authority of Louisiana's share of the joint ventures is reported as a discrete component unit in the accompanying basic financial statements. For fiscal year 2010, the Sabine River Authority of Louisiana reported an increase in net assets of $5,382,648 from fiscal year 2009.

The Pest Control Compact Insurance Fund Governing Board, P.O. Box 3481, Baton Rouge, LA 70821-3481, participates equally in the multistate Pest Control Compact and through the Interstate Pest Control Compact, 845 Sutherland Drive, Saint Albans, WV 25177. The Insurance Fund must annually submit to the governor of each party state a report covering its activities for the preceding year. Louisiana's participation in the Compact was confirmed by the Louisiana Legislature to alleviate financial losses from the depredations of pests and to protect fully against those pests that present serious dangers. The governing board of the Insurance Fund is made up of one representative from each party state that shall be entitled to one vote on such board; if provisions are made, the United States may be represented on the board not to exceed three representatives with non-voting powers. The budget of each party state shall contain a specific recommendation of the amount or amounts to be appropriated by each party state, which is one-tenth of the total budget in equal shares and the remainder in proportion to the value of agriculture and forest crops and products. The party states may request expenditures from the Insurance Fund.

Jointly Governed Organizations

A jointly governed organization is one governed by representatives from each of the governments creating it and one in which the participants do not retain an ongoing financial interest or financial burden; therefore, they are not reported in the accompanying basic financial statements. These organizations include the Gulf States Marine Fisheries Commission, Southern Rapid Rail Transit Commission, Interstate Commission for Adult Offender Supervision, Interstate Insurance Product Regulation Compact and Commission, Interstate Commission for Juveniles and Interstate Commission on Educational Opportunity for Military Children.

B. BASIS OF PRESENTATION

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the State. The basic financial statements include the ***government-wide financial statements***, ***fund financial statements***, and ***notes to the basic financial statements***.

The government-wide statements consist of a Statement of Net Assets and a Statement of Activities. These statements are prepared using the economic resources measurement focus and accrual basis of accounting. Major revenues such as sales tax, general severance tax, gasoline tax, and tobacco tax are assessed, collected, and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the primary government and between the total primary government and its component units by reporting each in separate columns. Fiduciary activities and component units that are fiduciary in nature, whose resources are not available to finance the government's programs, are excluded from the government-wide statements.

All capital (long-lived) assets, receivables, and long-term obligations are reported in the Statement of Net Assets. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the State. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are sales of commodities, licenses, permits, and fees. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the State as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the General Fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 45 days after the end of the fiscal year, except for federal grants, which generally are considered available for 12 months after the end of the

fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities, which are recognized when due.

- The proprietary fund statements include a balance sheet; a statement of revenues, expenses, and changes in fund net assets; and a statement of cash flows. Each statement has a column for the major enterprise funds, one that combines all the nonmajor enterprise funds, and one column that reports all internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting, in order to make a determination of net income, financial position, and cash flows. Internal service funds are included in governmental activities for government-wide reporting purposes, and the excess revenues or expenses from the funds are allocated to the appropriate functional activity.
- The fiduciary fund statements include a statement of fiduciary net assets and a statement of changes in fiduciary net assets, with one column for each of the four types of fiduciary funds. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, except for agency fund statements which use the accrual basis but do not have a measurement focus, as they report only assets and liabilities.

Although the financial statements presented in each of these three schedules contain "total" columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/ expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of ***notes to the basic financial statements***.

Governmental Funds

The major governmental funds of the State are the General Fund, the Bond Security and Redemption Fund, Capital Outlay Escrow Fund, and the Louisiana Education Quality Trust Fund.

General Fund The General Fund is the principal operating fund of the State, and was established administratively to provide for the distribution of funds appropriated by the state legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues include the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt requirements and obligations to other funds are met.

Bond Security and Redemption Fund This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the State that are due and payable within the current fiscal year, including debt principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund at year-end.

Louisiana Education Quality Trust Fund Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the State Treasurer into this fund. The money is held in a trustee capacity to be used for various educational purposes.

Capital Outlay Escrow Fund This fund provides for the capital outlay expenditures of state government, state institutions, and other public entities as appropriated by the legislature. Sources of funding include federal revenues, transfers from the General Fund and Transportation Trust Fund, interest earnings, and contributions from other sources.

Proprietary Funds

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the State has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board statements, in accounting for enterprise funds and business-type activities. These funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services as their principal operation. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The State has two types of proprietary funds:

- *Internal service funds* account for the provision of services, primarily to internal customers, on a cost reimbursement basis. The activities accounted for in internal service funds include copy and mail services, aircraft services, telecommunications, regional laundry services, and financing and acquiring public facilities for lease to the State.
- *Enterprise funds* account for the activities for which fees are charged to external users for goods or services.

The State's major enterprise funds are Patient's Compensation Fund Oversight Board and Unemployment Trust Fund.

Patient's Compensation Fund Oversight Board This fund is comprised of collections from private health care providers. The purpose of the board is to guarantee that affordable medical malpractice coverage is available to all private healthcare providers and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

Unemployment Trust Fund This fund accounts primarily for the unemployment tax payments from employers for the payment of unemployment benefits to eligible claimants.

Fiduciary Funds

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. These funds are presented in the fund financial statements, but are not incorporated into the government-wide statements. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity for others (excluding agencies of the State) and do not involve measurement of results of operations. This method of reporting is consistent with GASB Statement No. 34, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments,* paragraph 111.

C. ASSETS, LIABILITIES, AND NET ASSETS, EQUITY, OR NET FUND BALANCES

Cash and Investments

The State Treasurer pools those cash resources for which he is responsible and invests them accordingly. For purposes of the financial statements, including the Statement of Cash Flows, the State considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. Cash and investment limitations are discussed in Note 2 (Deposits and Investments).

In accordance with bond resolution requirements, the trustee for Transportation Trust Fund debt service invests in repurchase agreements. These investments are included in the disclosure of custodial credit risk as U.S. Government Obligations (see Note 2).

Receivables and Payables

Activity between funds that is outstanding at the end of the fiscal year is referred to as either "due to or due from other funds" or "advances to or advances from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net assets as receivable from and payable to external parties rather than as "internal balances." All internal balances are eliminated in the total primary government column. Receivables of the primary government and its component units or between those components include all amounts susceptible to accrual that have not been collected at June 30, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected, at June 30. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Inventories and Prepaid Items

Inventories consist predominately of materials and supplies held for consumption, merchandise and livestock held for resale, and expendable medical supplies and are valued primarily using the average cost method. The consumption method is used for financial reporting. Certain payments to vendors reflect costs applicable to

future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Derivatives

In accordance with their investment authority, certain governmental funds and blended component units invest in derivative financial instruments. These derivatives are held in part to maximize yields on investments and in part to hedge against changes in interest rates. Risks associated with derivative instruments include the potential for credit loss in the event of nonperformance by other parties to the contracts, market risk as a result of possible future changes in market prices, and legal risk, the risk that a transaction will be prohibited by law, regulation, or contract.

Restricted Assets

Restricted assets represent primarily cash, investments, and receivables held separately and restricted according to applicable bond indenture agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure is reported retroactively to 1960. Capital assets are recorded as expenditures generally in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level; fixed assets of enterprise, and internal service funds are reported in the respective funds. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. For reporting purposes, the State has defined capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Movable property consists of assets that are not fixed or stationary in nature with an initial, individual cost of at least $5,000. The straight-line method of depreciation is used which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. The capitalization threshold for buildings and improvements is $100,000. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and improvements and 20 years for depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction in progress is not depreciated.
- Infrastructure assets are roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure has a capitalization threshold of $3,000,000, and is depreciated using the straight-line method with an estimated useful life of 40 years.
- Purchased computer software has a capitalization threshold of $1,000,000 and is depreciated using the straight-line method over an estimated useful life of 3 years.
- Internally generated software has a capitalization threshold of $1,000,000, and is depreciated using the straight-line method over an estimated useful life determined by its value. Internally generated software valued at $10,000,000 or less is depreciated over 7 years and that valued over $10,000,000 is depreciated over 10 years.
- Historical treasures and works of art are items held for public exhibition, educational purposes, or research in enhancement of public service instead of financial gain, and therefore are not capitalized or depreciated.
- Donated fixed assets are valued at their estimated fair market value at the time of donation.

Hospitals and medical units within Louisiana State University Health Sciences Center are subject to federal cost reporting requirements and use capitalization and depreciation policies of the Centers for Medicare and Medicaid Services (CMS) to ensure compliance with federal regulations. These capitalization policies include a threshold of $5,000 for all assets, depreciable lives greater than 40 years on some assets, and recognition of a half year of depreciation in the year of acquisition and final year of useful life.

Compensated Absences

Classified and unclassified state employees earn annual leave and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accrued by each employee is unlimited. An employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Louisiana Revised Statutes (LRS) 17:425 provides for payment of up to 25 days of unused sick leave at the time of retirement or death if prior to retirement for all employees under the supervision of the Board of Elementary and Secondary Education, or other boards of control of publicly supported educational institutions.

Upon a member's retirement, annual leave balances in excess of 300 hours and the number of hours of unused sick leave are converted to years or fractions of years and added to the number of years of service earned by the retiree. Unused annual and sick leave is applied to the number of years of service only for computing the rate of pay due to the retiree and does not count toward the number of years necessary for retirement. Act 343 of 1993 allows members retiring after August 15, 1993, to elect to receive an actuarially determined lump-sum payment for unused leave that would have been converted for retirement credit.

An employee who is required to work overtime may, at the option of the appointing authority, be credited with compensatory leave for the hours required to work. Certain employees earn this leave at time and one-half, whereas others earn on an hour-for-hour basis. Generally, employees in positions at or below a certain pay level may be paid upon separation or transfer, based on the employee's final regular rate of pay. Compensatory leave for all other employees is canceled upon separation or transfer from the department in which it was earned.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. In accordance with paragraph 16 of the Accounting Principles Board Opinion No. 21, unamortized balances of premiums and discounts are netted against the outstanding balance of the related bonds payable. Unamortized premium and discount balances are displayed in Note 8, Section D.

Fund Balances and Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Proprietary funds report an all-inclusive change in fund net assets that includes capital contributions, contributions to term and permanent endowments, special and extraordinary items, and transfers. Net assets are segregated into three categories on the government-wide statement of net assets: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. The State first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The use of restricted assets may be deferred based on a review of the specific transaction.

D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, assets and liabilities of internal service funds, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

E. BUDGETS AND BUDGETARY ACCOUNTING

Legislation requires that on or before November 15, the head of each spending agency submit to the Governor, the Joint Legislative Committee on the Budget, and the Legislative Fiscal Office an estimate of the financial requirements and receipts of the budget unit for the upcoming fiscal year (LRS 39:33). The Governor is required to prepare an executive budget and transmit a copy to each member of the Legislature on the first day of the regular session (LRS 39:37). The budget is enacted into law by the Legislature and sent to the Governor for signature. The State Constitution prohibits the passage of an unbalanced budget (Article VII, Section 10). The Governor may veto any line item appropriation, subject to legislative override.

LRS 39:73 authorizes the transfer of funds between programs within a budget unit. The Commissioner of Administration may approve such a transfer when in aggregate the transfers are not more than 1% of the total appropriation to the budget unit and sufficient evidence is presented. The Commissioner, with the approval of the Joint Legislative Committee on the Budget, may approve the transfer of funds between programs within the budget unit when in aggregate the transfers do not exceed 25% of the total appropriation to the budget unit and sufficient evidence is presented. These and other requests for transfers are to be submitted by the budget unit to the Legislative Fiscal Office.

According to LRS 39:111, the Governor is required to submit to the Legislature, no later than the eighth day of

the regular session, a proposed five-year capital outlay program. The Legislature enacts into law a bill incorporating the first year of the five-year capital outlay program. The Legislature adopts a concurrent resolution for the remaining four years of the five-year capital outlay program, itemizing the capital projects and the amount and source of funding for each of the subsequent four years.

According to LRS 39:77, in no event shall any budget unit commit to an expenditure in excess of the unencumbered balance of the allotment to which the resulting expenditure would be charged, without prior approval of the Interim Emergency Board and two-thirds of the Legislature. The Revenue Estimating Conference has been established to provide an official estimate of anticipated state revenues for each fiscal year. Appropriations by the Legislature from the state General Fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations are made. The Governor may direct the Commissioner of Administration to reduce or disapprove warrants in order to prevent a cash deficit.

In accordance with LRS 39:82(A), agencies are allowed 45 days for closing out prior year activities. This statute limits the use of appropriation balances after the June 30 close to true liabilities, delineates those items eligible for roll forward treatment, and establishes a 45-day period to request such carry-forwards. After that time, all appropriations lapse except permanent capital outlay appropriations that remain active until the projects are complete. Additionally, upon approval by the Commissioner of Administration, any federal funds and any state funds appropriated during a fiscal year specifically for matching federal grants may be carried forward into the upcoming year's appropriation.

Governments are required to present the *original*, *final,* and *actual* budgetary basis of the General Fund and each individual major special revenue fund that has a legally adopted budget. For fiscal year 2010, there are no major special revenue funds. The accompanying Required Supplementary Information includes notes and a schedule making this comparison for the General Fund.

Each year, the Legislature enacts an appropriation bill to establish and re-establish ancillary funds to include the following enterprise and internal service funds: Administrative Services, Central Regional Laundry, Drinking Water Revolving Loan Fund, Donald J. Thibodeaux Training Complex, Louisiana Federal Property Assistance Agency, Louisiana Property Assistance Agency, Clean Water State Revolving Fund, Office of Aircraft Services, Office of Telecommunications Management, Prison Enterprises, and Public Safety Services Cafeteria. Re-established funds are allowed to retain any fund equity resulting from prior year operations. These and all monies from self-generated revenues are available for expenditure in the amounts appropriated. The Commissioner of Administration may approve increases from self-generated revenues, not exceeding in aggregate 5% of appropriated self-generated revenues. Only with the approval of the Division of Administration and the Joint Legislative Committee on the Budget will any larger increase in self-generated revenue over the amount appropriated be available to agencies for expenditure.

F. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

A. DEPOSITS

Bank account and short-term investments, such as nonnegotiable certificates of deposit and money market deposit accounts, are included as deposits. In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmatured or payable on demand; or notes representing loans to students guaranteed by the Louisiana Student Financial Assistance Commission. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

The following chart presents bank deposit balances for the primary government and its component units as of June 30, 2010. Deposits are listed in terms of whether they are exposed to custodial credit risk, which is the risk that the state's deposits may not be returned in the event of a bank failure. Deposits are exposed to custodial credit risk if they are either: a) uninsured and uncollateralized, b) uninsured and collateralized with securities held by the pledging

financial institution, or c) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the State.

Bank Deposit Balances (Expressed in Thousands)

	Deposits Exposed to Custodial Credit Risk				
	Uninsured and Uncollateralized	Uninsured and Collateralized with Securities Held by Pledging Institution	Uninsured and Collateralized with Securities Held by Pledging Institution's Trust Dept. or Agent but not in State's Name	Total Bank Balances – All Deposits	Total Carrying Value – All Deposits
Primary Government:					
Cash	$ 5,328	$ 980	$ 10,993	$ 1,456,800	$ 1,202,610
Certificates of Deposit		259	1,035	252,076	252,078
Other	250			387,205	387,002
Total Primary Government	$ 5,578	$ 1,239	$ 12,028	$ 2,096,081	$ 1,841,690
Component Units:					
Cash	10,500	56,256	27,388	1,243,804	1,136,151
Certificates of Deposit		467	14,912	226,570	227,468
Other			2,627	128,530	109,304
Total Component Units	$ 10,500	$ 56,723	$ 44,927	$ 1,598,904	$ 1,472,923
Total Bank Balances	$ 16,078	$ 57,962	$ 56,955	$ 3,694,985	$ 3,314,613

B. INVESTMENTS

LRS 49:327 authorizes the State Treasurer to invest available monies in direct Treasury obligations, government agency obligations, corporate bonds, perfected repurchase agreements, and reverse repurchase agreements, time certificates of deposit in specified banks, savings accounts or shares of certain savings and loan associations and savings banks, or in share accounts and share certificate accounts of certain credit unions. Such securities shall not have maturity dates in excess of five years from the purchase date, except monies invested from special funds (those not considered general funds) which shall not exceed 10 years from the date of purchase. Repurchase Agreements must be collateralized by the pledge of securities at 102%. Funds not on deposit in the State Treasury are authorized to be invested in time certificates of deposit of specified banks, in savings accounts or shares of specified savings and loan associations and savings banks, or in share accounts and share certificate accounts of specified credit unions. Funds determined to be available for investment for less than 30 days are authorized to be invested in direct United States Treasury obligations that mature in not more than 29 days after the date of purchase. These funds are also required to be fully insured or collateralized.

Because of limited maturity dates, availability of securities, and yield, perfected repurchase agreements are entered into for short-term management purposes. LRS 49:341 - 343 grants defined public entities the authority to invest bond proceeds and monies held in any fund established in connection with bonds in any direct obligation of, or obligation guaranteed by, the United States and in tax-exempt bonds until proceeds are required to be expended for the purpose of the issue.

LRS 11:263 directs Louisiana's pension systems to invest in accordance with the prudent man rule. As used in this statute, the rule means that the systems ". . . act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Notwithstanding the prudent man rule, no governing authority of any system shall invest more than 55% of the total portfolio in equities. Act 1004 of the 2010 regular session amended LRS 11:263 to require that pension systems give weight to certain factors including, but not limited to the experience of the professionals who will manage each investment, the jurisdiction of the laws that govern each investment, and the risk of fluctuations in currency that may accompany each investment when making investment decisions. It further requires pension systems to submit quarterly reports, as specified in the statute, to the House and Senate committees beginning with the quarter ending June 30, 2010. The amendment is effective beginning July 1, 2010.

Generally, investment of funds by colleges and universities are subject to the same provisions of LRS 49:327 that govern the State Treasurer and State agencies. However, investment of funds of state colleges and universities derived from private sources such as gifts, grants, and endowments are governed by the "Uniform Management of Institutional Funds Act," LRS 9:2337.1 - 2337.8. If a

donor has not provided specific instructions, state law permits the colleges and universities to authorize expenditure of the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established. For the fiscal year ended June 30, 2010, $16,339,878 net appreciation of investments of endowment funds was available to be spent; all but $822,732 was restricted for specific purposes. These amounts are reported in the financial statements of the colleges and universities as restricted expendable net assets, except for that which is unrestricted.

Authorized investments include "mortgages, stocks, bonds, debentures, and other securities of profit or nonprofit corporations, shares in or obligations of associations, partnerships, or individuals, and obligations of any government or subdivision or instrumentality thereof." In investing funds, the governing board of the college or university must exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

Management of the cash and investments held by the State Treasurer is independent of the automated accounting system of the state. The vast majority of the cash reported on the financial statements within all fund types is reported by the State Treasurer as investments for this note disclosure. In order to accurately compare the cash and investments shown on the accompanying financial statements with the carrying values of deposits and investments in the schedules presented as part of this note disclosure, the following reconciliation is provided (amounts expressed in thousands):

Carrying Value of Deposits per Note	$ 3,314,613	
Carrying Value of Investments per Note	37,940,268	
		$ 41,254,881
Cash per Financial Statements	$ 9,970,705	
Investments per Financial Statements	29,979,282	
Restricted Cash per Financial Statements	605,544	
Restricted Investments per Financial Statements	1,215,894	
Reconciling Items between Note and Financial Statements	(516,544)	
		$ 41,254,881

C. INVESTMENTS - CUSTODIAL CREDIT RISK

The following chart presents the investment position of the State at June 30, 2010, unless otherwise noted. The various types of investments are listed and presented by whether they are exposed to custodial credit risk by the State. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the State will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent but not in the name of the State.

Schedule of Investments Carrying Amount
(Expressed in Thousands)

	Investments Exposed to Custodial Credit Risk			
	Uninsured, Unregistered, and Held by Counterparty	Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name	All Investments Reported Amount	All Investments Fair Value
General Government:				
Negotiable Certificates of Deposit			$3,724	$3,724
Repurchase Agreements		$17,940	1,607,109	1,607,109
U.S. Government Obligations:				
On Securities Loan			6,218,431	6,218,431
Not On Securities Loan	$53,676	21,688	314,219	314,219
Common & Preferred Stock	8,203		75,825	75,825
Domestic & Foreign Bonds	618		1,996,495	1,996,495
Mortgages, Notes and Other	16,549		106,220	106,220
Mutual Funds	16,376		583,602	583,602
Miscellaneous			10,811	10,811
Total General Government	95,422	39,628	10,916,436	10,916,436
Retirement Systems and Other Trusts:				
Repurchase Agreements			271,724	271,724
U.S. Government Obligations:				
On Securities Loan			245,878	245,878
Not On Securities Loan	39,527		2,506,098	2,506,098
Common & Preferred Stock:				
On Securities Loan			1,635,932	1,635,932
Not On Securities Loan			9,548,516	9,548,516
Domestic & Foreign Bonds:				
On Securities Loan			174,079	174,079
Not On Securities Loan			2,696,602	2,696,602
Mortgages, Notes and Other			1,205,633	1,205,633
Miscellaneous Short Term			846,058	846,058
Mutual Funds			145,868	145,868
Real Estate			664,464	664,464
Mezzanine Financing Investments			331,901	331,901
Alternative Investments			3,900,972	3,900,972
Collateral Held Under Securities Lending Program			1,397,363	1,397,363
Total Retirement Systems and Other Trusts	39,527		25,571,088	25,571,088
Total Primary Government	134,949	39,628	36,487,524	36,487,524
Component Units:				
Negotiable Certificates of Deposit		7,761	23,005	23,005
Repurchase Agreements		6,030	51,240	51,240
U.S. Government Obligations	2,059	6,687	360,300	360,300
Common & Preferred Stock	1,064	7,748	75,932	75,932
Domestic & Foreign Bonds	833	7,526	39,018	39,018
Mortgages, Notes & Other			123,170	123,170
Mutual Funds	11,695	90,553	457,375	457,375
External Investment Pool			224,309	224,309

Schedule of Investments Carrying Amount
(Expressed in Thousands)

	Investments Exposed to Custodial Credit Risk			
	Uninsured, Unregistered, and Held by Counterparty	Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name	All Investments Reported Amount	All Investments Fair Value
Real Estate			9,044	9,044
Guaranteed Investment Contracts			2,346	2,346
Alternative Investments			44,548	44,548
Investments Held in Private Foundations	1,761		42,457	42,457
Total Component Units	17,412	126,305	1,452,744	1,452,744
TOTAL INVESTMENTS	$152,361	$165,933	$37,940,268	$37,940,268

D. INVESTMENTS - INTEREST RATE RISK

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics.

State Treasury

The State Treasury limits the interest rate risk of the General Fund by limiting maturities of its investments to five years or less. The interest rate risk of certain special funds within the State Treasury is limited by restricting maturities of their investments to ten years or less. The interest rate risk of the Louisiana Education Quality Trust Fund (LEQTF), Millennium Trust Fund, and the Medicaid Trust Fund portfolios are limited by managing their maturity and duration using fixed income indices as benchmarks to gauge and limit such risk. Further, these portfolios' durations are limited by policy to 15 years or less for LEQTF, and 10 years or less for the Millennium Trust Fund and the Medicaid Trust Fund to minimize interest rate risk. The State Treasury has no investments with fair values that are highly sensitive to changes in interest rates due to their terms or characteristics.

As of June 30, 2010, the State Treasury had the following debt investments and maturities (amounts expressed in thousands).

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Government Obligations	$3,319,953	$414,712	$2,818,334	$48,284	$38,623
U.S. Agency Obligations	3,132,546	1,547,925	1,298,079	193,724	92,818
Corporate Bonds	913,147	49,308	368,817	221,724	273,298
Municipal Bonds	1,077,731	101,286	317,475	400,152	258,818
Foreign Bonds	5,000		5,000		
Total	$8,448,377	$2,113,231	$4,807,705	$863,884	$663,557

Retirement Systems and Other Trusts

At June 30, 2010, the Louisiana School Employees' Retirement System (LSERS) held $542,725,645 in total debt investments, $134,118,724 with maturities of less than 1 year, $135,052,842 with maturities of 1 to 5 years, $88,398,812 with maturities of 6 to 10 years, and $185,155,267 with maturities of more than 10 years. The Louisiana State Employees' Retirement System (LASERS) held $2,833,629,029 in total debt investments, $1,027,945,448 with maturities of less than 1 year, $678,453,841 with maturities of 1 to 5 years, $470,467,624 with maturities of 6 to 10 years, and $656,762,116 with maturities of more than 10 years. The Teachers' Retirement System of Louisiana (TRSLA) held $1,889,365,217 in total debt investments, $38,792,298 with maturities of less than 1 year, $460,163,478 with maturities of 1 to 5 years, $495,599,887 with maturities of 6 to 10 years, and $894,809,554 with maturities of more than 10 years. The Louisiana State Police Retirement System (LSPRS) held $34,830,284 in total debt investments, $6,851,445 with maturities of 1 to 5 years,

$10,093,834 with maturities of 6 to 10 years, and $17,885,005 with maturities of more than 10 years.

The TRSLA and LSPRS investment policies expect its fixed income managers to approximate the portfolio's duration to established benchmarks for fixed income investments. LSERS and LASERS have no formal interest rate risk policies, but LASERS's investment policy indicates that it expects its fixed income managers to approximate the portfolio's duration to within two years of its respective benchmarks for fixed income investments.

The table below displays the aggregate total of the state retirement systems and other trusts debt investments by type and maturities (amounts expressed in thousands) as of June 30, 2010.

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**Greater Than 10**
U.S. Government obligations	$1,003,743	$5,692	$107,312	$259,118	$631,621
U.S. Agency obligations	426,029	10,121	24,856	63,326	327,726
Mortgage backed securities and Collateralized mortgage obligations	602,359	68,554	18,547	122,428	392,830
Corporate bonds	1,500,924	395,247	606,245	316,255	183,177
Foreign bonds	1,337,866	320,623	504,583	303,441	209,219
Mutual funds	1,962	1,962			
Other bonds	451		123	15	313
Other	429,421	399,336	19,045	312	10,728
Total	$5,302,755	$1,201,535	$1,280,711	$1,064,895	$1,755,614

E. INVESTMENTS - CREDIT RISK & CONCENTRATION OF CREDIT RISK

The credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools).

State Treasury

State statutes and investment policies limit the State Treasury investments to government securities with explicit guarantees by the U.S. government, agency securities with implicit U.S. government guarantees, and corporate securities with investment grade ratings by Moody's and S&P. The State Treasury has no limit on the amount it may invest in any one issuer. Of the State Treasury's total investments, 11.11% are issues of the Federal Home Loan Mortgage Corporation (Freddie Mac), 6.58% are issues of the Federal Home Loan Bank, and 10.18% are issues of the Federal National Mortgage Association (Fannie Mae).

The accompanying table illustrates the State Treasury's investments exposure to credit risk as of June 30, 2010 (expressed in thousands):

Rating	**Fair Value**
U.S. Government Securities	$3,319,953
U.S. Government Agencies (GSEs)	3,132,546
AAA	525,194
AA	415,268
A	445,891
BBB	514,891
BB	40,948
B	14,000
CCC	10,800
Not Rated	2,418,608
Total	$10,838,099

Retirement Systems and Other Trusts

The investment policies of the state's retirement systems and other trusts prescribe the level of credit risk to which their investments in debt securities are exposed. In addition, the Louisiana Asset Management Pool (LAMP, an investment trust fund) had investments in U.S. government agency obligations with a fair value of $1,130,609,891, all of which were rated AAA by S&P and $591,498,359 in commercial paper rated at either A-1 or A-1+.

None of the state's retirement systems or other trusts had investments in any one issuer (other than those issued or guaranteed by the U.S. government) that represented more than 5% of its total investments.

The following table details the total fair market value of investments in debt securities exposed to credit risk at June 30, 2010 for each of the state's retirement systems.

	Fair Value (in thousands)			
Rating	**LSERS**	**LASERS**	**TRSLA**	**LSPRS**
AAA	$51,095	$709,390	$291,374	
AA+	5,467	43,623		$1,069
AA	32,065	138,440		885
AA-	2,882	102,435		799
A+	12,930	83,082		820
A	37,415	98,318		8,238
A-	15,193	39,547		3,378
A-1		216,614	27,262	
A-2		330	63,403	
A-3		3,082	48,846	
AA1			36,813	
AA2			21,264	
AA3			30,595	
BBB+	14,957	53,315		2,926
BBB	19,281	53,357		724
BBB-	22,363	49,163		1,516
BB+	4,177	23,463		
BB	5,034	55,380		
BB-	2,556	72,442		
B+	1,267	92,234		
B	2,338	99,611		
B-	571	90,904		
B1		3,446	28,654	
B2		1,470	34,673	
B3		11,509	32,971	
BA1			10,308	
BA2		1,880	6,607	
BA3		464	28,721	
BAA1		6,651	52,810	
BAA2		555	47,373	
BAA3			20,394	
CA			1,090	
CAA1		7,200	27,297	
CAA2		9,257	17,074	
CAA3			3,065	
CCC+	3,372	41,167		
CCC	14,264	141,716		
CCC-		6,811		
CC	1,133	55,308		
C		822	1	
D	241	20,788		
NA				
P-1		40,700		
VMIG1-3			3,807	
Not Rated	148,361	436,623	1,054,963	
Sec. Lending Collat. Pool		22,532		
Total	$396,962	$2,833,629	$1,889,365	$20,355

F. FOREIGN CURRENCY RISK

State Treasury

The State Treasury limits the foreign currency risk of the State's investments by prohibiting investing in instruments denominated in foreign currencies. Also, the State has no deposits held by the State Treasury denominated in foreign currencies.

Retirement Systems and Other Trusts

Louisiana School Employees' Retirement System's (LSERS) investment policy targets 10% of its portfolio to be invested in foreign marketable securities. However, at June 30, 2010, the current position is 6% and totals $150,461,606. The Louisiana State Employees' Retirement System (LASERS) held foreign marketable securities with a fair value of $1,426,768,474 at June 30, 2010, the Teachers' Retirement System of Louisiana (TRSLA) held $2,789,716,180, and the Louisiana State Police Retirement System (LSPRS), $18,741,087. LSPRS' investment policy allows no more than 15.0% of their portfolio to be international equities. The following table illustrates the total exposure to foreign currency risk at June 30, 2010 of $4,385,687,347 by currency denomination and investment type:

	Fair Value (U.S. dollars) (in thousands)	
Currency	**Bonds**	**Stocks & Other**
Australian dollar	$114,353	$196,075
Brazilian real	14,896	17,817
British pound sterling	51,352	663,457
Canadian dollar	24,092	114,577
Czech koruna		195
Danish krone		62,657
European euro	236,729	1,060,038
Hong Kong dollar		206,913
Hungarian forint		36
Indonesian rupiah	14,370	763
International pooled funds		18,741
Israeli shekel		9,684
Japanese yen	162,799	702,013
Malaysian ringgit	25,698	3,006
Mexican new peso	31,649	5,537
New Turkish lira		11,697
New Zealand dollar	26,267	999
Norwegian krone	12,192	14,384
Pakistan rupee		276
Philippines peso		143
Polish zloty	62,902	744
Singapore dollar		76,544
South African rand	5,193	6,680
South Korean won	18,757	27,584
Swedish krona	15,948	101,141
Swiss franc		261,874
Thailand baht		4,916
Total	$817,197	$3,568,491

G. SECURITIES LENDING

State Treasury

In accordance with its authority under LRS. 49:327(c), the State has entered into a securities lending agreement that functions as a reverse repurchase/repurchase arrangement, with Morgan Stanley acting as principal. Under the arrangement, Morgan Stanley purchases (or borrows) on an overnight basis that portion of the State's pool of U.S. Treasury and Agency securities which the State from time to time makes available for such purposes, with a simultaneous agreement to resell or repurchase such securities at the termination of the transaction. The reverse repurchase and repurchase transactions are executed pursuant to the terms of a paired repurchase agreement among the State, the Bank of New York and Morgan Stanley. The State receives U.S. Government Sponsored Entity, or "agency", collateral in return for the securities that it reverses to Morgan Stanley under the terms of the reverse repurchase transaction on a fixed-spread basis.

Four separate funds were included in the securities lending agreement for the fiscal year ending June 30, 2010. At June 30, 2010, the collateral exceeded the value of the securities on loan by $109,035,016 for the general fund, $25,894,341 for the Louisiana Education Quality Trust Fund (LEQTF), $35,619,322 for the Medicaid Trust Fund for the Elderly (the Medicaid Trust), and $18,182,547 for the Millennium Trust Fund (the Millennium Trust).

At June 30, 2010, the value of securities on loan was $5,406,664,379 for the Treasurer's pooled general fund investments; $231,463,312 for LEQTF; $309,214,266 for the Medicaid Trust Fund; and $271,088,898 for the Millennium Trust Fund.

In each transaction, Morgan Stanley delivers collateral from its account at the Bank of New York to the State's custodial account at the Bank of New York. The Bank of New York monitors the movement of the collateral to ensure it is sufficient (equal to at least 102% of the value of the securities borrowed) and in compliance with the terms of the reverse repurchase/repurchase agreement. Each morning, the overnight repurchase transaction is "reversed" and Morgan Stanley receives the collateral against its return of investments to the State. During the term of any particular transaction, the State's right to receive or sell the collateral is determined pursuant to the terms of the repurchase agreement, which provides for such rights upon borrower default, and in accordance with other applicable state and federal laws. The State has experienced no losses on securities lending transactions and loss indemnification is provided in the contract with Morgan Stanley.

As of June 30, 2010, the State had limited credit risk exposure because the market value of the U.S. Government and Government Sponsored Entity securities pledged as collateral to the State exceeded the value of securities the State had out on loan by $188,731,225. The value of the securities on loan was $6,218,430,856 and the total market value of the securities held as collateral was $6,407,162,082. The value of the collateral securities was 103.04% of the value of loaned securities. The Risk to the State is further mitigated because loss indemnification is provided to the State in the securities lending contract with Morgan Stanley.

Retirement Systems and Other Trusts

The Teachers' Retirement System of Louisiana (TRSLA), the Louisiana State Police Retirement System (LSPRS), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS) are authorized by their respective boards of trustees to operate securities lending programs. These programs are designed to produce supplemental income on investments with little or no additional risk. All securities are available for loan to pre-approved securities dealers. Securities dealers must meet specific criteria to be approved. The TRSLA and LSPRS lend securities for cash, cash collateral or other securities/investment collateral. The LASERS and LSERS lend securities for cash, cash collateral, and U.S. government securities. Additionally, LSERS may lend its securities for irrevocable letters of credit and LASERS may lend securities for other securities/investments collateral. Collateral held under the programs, which may be reinvested by the systems under the terms of the agreement with the broker/dealer, is recorded as an asset with a corresponding liability; otherwise, the collateral is not recorded on the Statement of Net Assets. None of the retirement systems may pledge or sell collateral securities received unless the borrower defaults.

The TRSLA lends domestic securities for cash collateral of 100%, domestic securities for other securities collateral at 102%, and international securities for cash collateral or other securities collateral of 105%. The LSPRS, LSERS and LASERS lend U.S. securities for collateral valued at 102% of the market value of the securities. For the LSERS and LASERS, non-U.S. securities are loaned for collateral valued at 105% of the market value of the securities. In instances where LSPRS, TRSLA and LSERS loans are for term, the reinvestment of the cash is matched to the maturity of the loan. The majority of LASERS loans are terminable at will. Therefore, their duration will not generally match the duration of the investments made with cash collateral.

At June 30, 2010, neither LASERS, LSPRS, TRSLA nor LSERS had any credit risk exposure to borrowers at year

end because the amount the plan owes the borrowers exceeds the amount the borrowers owe the plan. Securities loans of all four systems may be terminated on demand by either party within a period specified in the related agreement. There were neither significant violations of legal or contractual provisions, nor borrower or lending agent default losses known to the securities lending agents of LSPRS and LSERS. However, Lehman Brothers and Sigma Finance Corporation defaulted in an aggregate amount of $5,773,039 on their securities lending contracts with TRSL and approximately $27,000,000 on their securities lending contracts with LASERS of which $3,000,000 in security lending income has been applied during fiscal year 2010. Additionally, LASERS realized a loss on a CIT Group bond of approximately $3,000,000. The LSPRS, LASERS and LSERS have indemnification agreements with their securities lending agents in case of borrower default. Securities on loan at June 30, 2010 totaled $722,799,444 for LASERS, $28,446,340 for LSPRS, $1,163,371,667 for TRSLA, and $141,271,143 for LSERS.

H. INVESTMENTS IN DERIVATIVES

During the fiscal year ended June 30, 2010, the State implemented Governmental Accounting Standards Board (GASB) Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments.* GASB requires certain derivative instruments be reported in the government-wide, proprietary fund, and fiduciary fund financial statements at fair value as of the balance sheet date. The Statement further requires certain risk disclosures associated with these derivatives.

Governmental Activities

As of June 30, 2010 the governmental funds of the State held derivative instruments in interest rate swaps. All pay-fixed swap transactions are associated with variable debt. Combining a pay-fixed receive-variable rate swap with variable debt results in what is termed “synthetic” fixed rate debt. It is called synthetic because the economics are similar to fixed rate debt, but another instrument is involved unlike regular fixed rate debt.

The primary function of the fixed rate swaps is to mitigate the interest rate exposure of the variable rate bonds. The state pays a fixed rate and receives a floating rate. In an interest rate environment whose level is generally higher than the rate at which the State is fixed, the swap would result in a positive value to the State. Correspondingly, a lower rate environment than the fixed rate would result in a negative value to the State.

The tables below provide summary data for the State’s outstanding derivative instruments within governmental activities as of June 30, 2010.

Summary of Hedging Derivative Instruments
(In Thousands)

	Notional	Changes in Fair Value Classification	Changes in Fair Value Amount	Fair Value at June 30 Classification	Fair Value at June 30 Amount
Governmental Activities:					
Hedging Derivative Instruments					
Cash Flow Hedges					
Pay-Fixed Interest Rate Swaps	$685,000	Deferred Outflow of Resources	($112,380)	Derivative Instrument Liability	($112,380)

Terms and Objectives of Hedging Derivative Instruments

(In Thousands)

Type	Notional	Objective	Effective Date	Maturity Date	Terms	Counterparty Credit Rating (Moody's/S&P)
Pay-Fixed Interest Rate Swap	$140,000	hedge changes in cash flows on the 2008 Series A bonds	07/17/08	07/15/26	Pay 4.303%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$60,000	hedge changes in cash flows on the 2008 Series A bonds	07/17/08	07/15/26	Pay 4.303%; Receive 70% of USD-LIBOR	Aa3/A
Pay-Fixed Interest Rate Swap	$46,500	hedge changes in cash flows on the 2010 Series A bonds	05/01/09	05/01/43	Pay 3.694%; Receive 70% of USD-LIBOR	Aa1/AA-
Pay-Fixed Interest Rate Swap	$14,125	hedge changes in cash flows on the 2009 Series A-1 and 2010 Series A bonds	05/01/09	05/01/41	Pay 3.699%; Receive 70% of USD-LIBOR	Aa1/AA-
Pay-Fixed Interest Rate Swapt	$56,500	hedge changes in cash flows on the 2010 Series A bonds	05/01/09	05/01/41	Pay 3.692%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$186,000	hedge changes in cash flows on the 2009 Series A-1 bonds	05/01/09	05/01/43	Pay 3.692%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$14,125	hedge changes in cash flows on the 2009 Series A-4 bonds	05/01/09	05/01/41	Pay 3.690%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$46,500	hedge changes in cash flows on the 2009 Series A-4 bonds	05/01/09	05/01/43	Pay 3.682%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$93,000	hedge changes in cash flows on the 2009 Series A-3 bonds	05/01/09	05/01/43	Pay 3.6985%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$28,250	hedge changes in cash flows on the 2009 Series A-3 bonds	05/01/09	05/01/41	Pay 3.7065%; Receive 70% of USD-LIBOR	A2/A

In June 2006, the State Bond Commission (SBC) authorized the issuance of $200,000,000 General Obligation Refunding Bonds Series 2008-A to provide funds to refund the General Obligation Tax Credit Bonds Series 2006-A. On July 17, 2008 the State entered into forward floating fixed interest rate swap agreements to effectively hedge the change in the bonds' variable interest rate to a fixed interest rate. The interest rate swap mitigated the State's exposure to interest rate risk.

On October 16, 2008 the State Bond Commission, authorized the issuance of $485,000,000 of in Gasoline and Fuels Tax Revenue Bonds, Series 2009A bonds to replace the Series 2008 bonds that were authorized to finance multiple construction projects associated with the Transportation Infrastructure Model for Economic Development (TIMED). Due to market volatility and credit availability, the bonds were issued in four separate series (2009A, 2009A-1, 2009A-3, & 2009A-4). Forward floating to fixed interest rate swap agreements which were originally issued in December 2008 for the Series 2008 bonds were extended for the new bond issuance and became effective May 1, 2009.

As of June 30, 2010, the State of Louisiana determined that the pay-fixed interest rate swaps within governmental activities successfully meet the criteria for effectiveness. Accordingly, the accumulated changes in fair value and fair value of $112,380,453 of the swaps are reported as a deferred outflow of resources and derivative instrument liability, respectively on the statement of net assets.

The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bonds due on the date of each future net settlement payment on the swaps.

The interest rate swaps with an aggregate notional value of $685,000,000 includes $200,000,000 of General Obligation Series 2008-A Bonds and $485,000,000 of (TIMED) Bonds. No cash payment or receipt was paid or due by any party upon initiation of any of these agreements.

Risk Disclosures

Credit Risk: Credit risk is the risk that the swap provider will not fulfill its obligations. To mitigate the potential for credit risk, the hedge agreements include provisions for

collateral thresholds and transfer amounts that correspond to the credit ratings of the swap providers. However at June 30, 2010, the State is not exposed to credit risk since the fair values of the swap agreements are in the swap provider's favor.

Interest Rate Risk: Interest rate risk is the risk that an adverse change in variable interest rates will increase the overall cost of borrowing for the State. Interest rate swap agreements used to hedge variable rate bonds that extend through maturity of the related debt effectively eliminate interest rate risk, unless the swap agreement is terminated before maturity. At June 30, 2010, and as of the date of issuance of these financial statements, the State Bond Commission (SBC) has no plans to terminate the swap agreements.

The reference rate for the interest rate swaps is 70% of USD-LIBOR-BBA. Although not specifically identified in the information provided, there are embedded options. Also, there are puts associated with the underlying debt.

Foreign Currency Risk: At June 30, 2010, there was limited foreign currency risk associated with the interest rate swaps because the State Treasury prohibits investing in instruments denominated in foreign currencies.

Basis Risk: Basis risk is the risk that arises when variable interest rates on a swap and the associated debt are based on different indexes; i.e. when the variable payment component of a fixed payer interest rate swap does not match the associated underlying variable rate bonds. To mitigate this risk, the State has structured a higher percentage of the London Interbank Offered Rate (LIBOR) fixed payer hedge (70%) on the bonds.

Termination Risk: The State or the swap providers may terminate the swap agreement if the other party fails to perform under the terms of the contract. As long as the State continues to perform its obligations on the swap contracts, there is no termination risk arising from the provider actions during the next fiscal period. However, there is termination risks should the State determine to take actions currently under consideration regarding the outstanding bonds which would trigger an event of termination on the existing swaps. Also, if at the time of the termination the swap has a negative fair value, the State would be liable to the swap providers for a payment equal to the swap's fair value.

Market Access Risk: Market access risk is the risk that the State will not be able to enter credit markets or that credit will become more costly than normal. With the recovery of the financial markets, and provided no market dislocations occur, the State is currently not exposed to market access risk when issuing General Obligation or such debt.

Rollover Risk: Rollover risk is the risk that the swaps do not extend to the maturity of the associated debt. The State is exposed to rollover risk because the swap agreements on the 2008A, 2009A-3 and 2009A-4 series bonds will terminate prior to the maturity of the associated bonds.

The 2008A series general obligation bonds will mature in July 2026, however the bonds are currently variable rate demand obligations with a letter a credit expiring on July 17, 2011. The swap associated with these bonds will terminate on July 1, 2011 unless the letter of credit is renewed, or the letter of credit is replaced and the bonds are refunded with 3 to 5 year floating rate notes. The state also has the option to refinance the current bonds with fixed rate bonds, resulting in the termination of the swaps and a probable termination payment.

The swaps associated with the 2009A-3 and 2009A-4 series TIMED bonds will terminate in May and July 2012, respectively, while the bonds mature in May 2041 and 2043. In addition, the swaps associated with the 2009A-3 bonds have a hard put date of May 27, 2014, which leaves these bonds without a swap agreement for a period of two years. When the hard put is exercised, the State must redeem the bonds through a refinancing or through utilization of the available collected gas and fuels taxes.

Retirement Systems and Other Trusts

LASERS, TRSLA, and LSERS held investments in various derivative financial instruments including interest-only strips, principal-only strips, collateralized mortgage obligations, options, forward foreign exchange contracts, and futures contracts.

TRSLA invests in interest-only strips and principal-only strips which are mortgage-backed securities that involve the separation of the interest and principal components of a security.

TRSLA and LASERS invest in collateralized mortgage obligations which are collateralized by mortgages, mortgage pass-through securities, and stripped mortgage-backed securities and can be highly sensitive to interest rate fluctuations. Additionally, TRSLA and LASERS invest in forward foreign exchange contracts which are contractual agreements between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency for an agreed upon exchange rate. The systems also invests in futures contracts which are agreements for delayed delivery of securities, currency, commodities, or money market instruments in which the seller agrees to make delivery at a specified future date of a specified instrument, at a specific price or yield. TRSLA further invests in options on futures allowing the holder and writer of the option the right to exchange futures positions.

The table below provides summary data for the State's outstanding derivative instruments within governmental activities as of June 30, 2010.

Summary of Investment Derivative Instruments
(In Thousands)

	Notional	Changes in Fair Value Classification	Changes in Fair Value Amount	Fair Value at June 30 Classification	Fair Value at June 30 Amount
Fiduciary Funds					
Investment Derivative Instruments					
Futures Based Overlay Program	$153,511	Net Appreciation/Depreciation in Fair Value of Investments	($2,734)	Alternative Investments	($2,734)
Equity Futures	$1,873	Net Appreciation/Depreciation in Fair Value of Investments	$425	Investments Payable	($15)
Fixed Income Futures	($11,312)	Net Appreciation/Depreciation in Fair Value of Investments	($465)	Not Applicable	$0
Forward Foreign Exchange Contracts	$48,799	Investment Revenue	$2,681	Investments	$47,876

Risk Disclosures

Credit Risk: As of June 30, 2010, TRSLA's credit risk had not increased with the use of the overlay strategy because the futures based overlay program uses exchange traded futures contracts. Likewise, LSER's has no direct credit risk exposure from the equity futures or fixed income futures because the futures are settled daily by the exchange, which is the counterparty for all transactions.

Foreign Currency Risk: As of June 30, 2010, LSER's fixed income futures and LASER's forward currency forwards were exposed to foreign currency risk. At June 30, 2010 the fixed income futures, which are denominated in British pounds and Canadian dollars had a fair value of $-0-. The fair values of the forward currency forwards denominated in Euros and British pounds was $859,578 and $46,775,416, respectively.

At June 30, 2010 foreign currency risk has been reduced by use of the futures based overlay program. The use of the overlay program reduced the variance of TRSLA's actual return to the benchmark return.

Interest Rate Risk: At June 30, 2010 LSERS was exposed to interest rate risk on fixed income futures. The values of the futures are directly linked to interest rates indices which increase and decrease as interest rates change.

The interest rate risk associated with the foreign currency forwards at June 30, 2010 is summarized in the table below.

Interest Rate Risk
(In Thousands)

	Notional	Fair Value	Less than 1 Year	1 - 5 Years	6-10 Years	Greater than 10 Years
Fiduciary Funds:						
Investment Derivative Instruments:						
Foreign Currency Forward	$48,799	$47,876	$47,876			

NOTE 3: ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Balances of receivables and payables have been aggregated for presentation in the accompanying financial statements. The following schedules provide additional detail information concerning balances of receivables and payables by category and fund type.

A. RECEIVABLES

Receivable balances at June 30, 2010, are as follows (expressed in thousands):

	Governmental Funds				
	General Fund	Bond Security and Redemption Fund	Capital Outlay Fund	Nonmajor Funds	Total Governmental Funds
Applicants and Clients	$ 339,284	$ --	$ --	$ --	$ 339,284
Corporate/Individual Tax	--	484,170	--	--	484,170
Excise Tax	--	71,976	--	--	71,976
Gaming	--	12,117	--	--	12,117
Licenses, Permits, and Fees	--	12,505	--	--	12,505
Mineral Resources	--	52,539	--	6,029	58,568
Motor Fuel Tax	--	47,731	--	2	47,733
Public Assistance	--	11,244	--	--	11,244
Sales of Commodities and Services	--	18,024	--	--	18,024
Sales Tax	--	347,892	--	1,859	349,751
Severance Tax	--	91,981	--	470	92,451
Tobacco Products Tax	--	22,623	--	--	22,623
Other Taxes	--	151,438	--	22	151,460
Other	4,801	64,114	34,188	2,743	105,846
Total Receivables	344,085	1,388,354	34,188	11,125	1,777,752
Allowance for Uncollectibles	--	(10,688)	--	--	(10,688)
Receivables, Net	$ 344,085	$ 1,377,666	$ 34,188	$ 11,125	$ 1,767,064
Amounts Not Expected to be Collected Within One Year	$ --	$ 549,379	$ --	$ --	$ 549,379

	Proprietary Funds				
	Business-Type Activities - Enterprise Funds				Governmental Activities -
	Patient's Compensation Fund Oversight Board	Unemployment Trust Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Employer Contributions	$ --	$ 120,746	$ --	$ 120,746	$ --
Surcharges	5,395	--	--	5,395	--
Gaming	--	--	12,578	12,578	--
Other	--	--	5,807	5,807	9,917
Total Receivables	5,395	120,746	18,385	144,526	9,917
Allowance for Uncollectibles	--	(66,300)	--	(66,300)	--
Receivables, Net	$ 5,395	$ 54,446	$ 18,385	$ 78,226	$ 9,917
Amounts Not Expected to be Collected Within One Year	$ --	$ --	$ 68	$ 68	$ --

B. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable and accruals at June 30, 2010, are as follows (expressed in thousands):

	Governmental Funds			
	General Fund	Capital Outlay	Nonmajor Funds	Total Governmental Funds
Aid to Local Governments	$ 3,670	$ --	$ --	$ 3,670
Community Development	95,405	--	--	95,405
Disadvantaged Student Support	141,026	--	--	141,026
Economic Development	6,291	--	--	6,291
Emergency Preparedness and Disaster Recovery	610,745	--	--	610,745
Engineering and Operations	25,855	--	--	25,855
General Administration	29,504	--	--	29,504
Highway Operation and Maintenance	--	258,288	--	258,288
Inmate Housing	19,758	--	--	19,758
Job Training and Placement Programs	13,096	--	--	13,096
Medicaid	493,130	--	--	493,130
Personal and Mental Health	60,357	--	--	60,357
Public Assistance	100,707	--	--	100,707
Public Safety and Law Enforcement	29,713	--	--	29,713
Recovery School District	41,001	--	--	41,001
School and Community Educational Support	131,606	--	--	131,606
School, Student, and Educator Performance	66,147	--	--	66,147
Other State Programs	166,126	--	39,936	206,062
Total Accounts Payable and Accruals	$ 2,034,137	$ 258,288	$ 39,936	$ 2,332,361

Other payables include escheat property totaling $112,748 in the General Fund and tax refunds payable totaling $332,276 in the Bond Security and Redemption Fund (expressed in thousands).

	Proprietary Funds			
	Business-Type Activities – Enterprise Funds			Governmental Activities
	Patient's Compensation Fund Oversight Board	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Gaming	$ --	$ 2,221	$ 2,221	$ --
Other	189	15,422	15,611	1,577
Total Accounts Payable and Accruals	$ 189	$ 17,643	$ 17,832	$ 1,577

NOTE 4: INTERFUND ACCOUNTS AND TRANSFERS

A. RECEIVABLES AND PAYABLES

A summary of interfund receivables and payables at June 30, 2010 is shown below (expressed in thousands):

	Primary Government	
	Due From	Due To
GOVERNMENTAL FUNDS:		
General Fund	$ 1,041,868	$ 540,945
Bond Security and Redemption Fund	224,063	1,001,894
Capital Outlay Escrow Fund	171,963	20,406
Louisiana Education Quality Trust Fund	19,557	--
Nonmajor Funds	771,332	645,626
Total Governmental Funds	2,228,783	2,208,871
PROPRIETARY FUNDS:		
Unemployment Trust Fund	--	6,953
Nonmajor Funds	--	12,955
Internal Service Funds	--	4
Total Proprietary Funds	--	19,912
GRAND TOTALS	$ 2,228,783	$ 2,228,783

B. TRANSFERS IN AND OUT

A summary of transfers in and out at June 30, 2010, is shown below (expressed in thousands):

	Primary Government	
	Transfers In	Transfers Out
GOVERNMENTAL FUNDS:		
General Fund	$ 11,596,634	$ 1,512,245
Bond Security and Redemption Fund	146,100	10,781,014
Capital Outlay Escrow Fund	2,287,308	41,633
Louisiana Education Quality Trust Fund	16,460	--
Nonmajor Funds	3,172,203	4,742,198
Total Governmental Funds	17,218,705	17,077,090
PROPRIETARY FUNDS:		
Patient's Compensation Fund Oversight Board	--	10
Unemployment Trust Fund	--	6,760
Nonmajor Funds	--	134,845
Total Proprietary Funds	--	141,615
GRAND TOTALS	$ 17,218,705	$ 17,218,705

C. DETAILS OF INTERFUND BALANCES AND TRANSFERS

Per the Louisiana Constitution, most state revenues are deposited into the Bond Security and Redemption Fund (BSRF). The major exception is federal revenues, which are deposited directly into the General Fund. The BSRF was designed to protect the bond holders; therefore, general obligation debt is paid from the BSRF. This arrangement results in an extremely large number of transfers in and out of BSRF from and to a majority of the other funds, including the General Fund. At the end of the accrual period, a transfer is made to move the remaining monies in BSRF to the General Fund. Louisiana is unique in the way its debt service fund operates and parts A and B of this note provide the total amounts flowing through the BSRF.

The General Fund receives a large number of transfers from statutorily dedicated (special revenue) funds. Since the special revenue funds do not report expenditures, monies warranted in these funds are reclassified as transfers to the General Fund and the General Fund reports all expenditures for the special revenue funds. This reclassification of warrants along with the transfers reported in the BSRF account for the large volume of transfers from reported in the General Fund. The interfund balances and transfers are due to the regular functions of government in the Louisiana environment and, in general, all interfund balances are paid within the statutorily required close period.

Below is a discussion of the larger, more significant interfund transfers of the nonmajor funds.

- Budget Stabilization Fund – This fund was created in 1998 to restructure and rename the Revenue Stabilization/Mineral Trust Fund (Rainy Day Fund). Its funding is derived from several sources including twenty-five percent of non-recurring revenues, money available for appropriation from the state General Fund and dedicated funds in excess of certain expenditure limits, and mineral revenues in excess of cap. Money in the fund shall not be available for appropriation except under specific conditions as enumerated in the enabling legislation. For fiscal year 2010, transfers out totaled $296 million and transfers in were $86 million.

- Coastal Protection and Restoration Fund – This fund was created in 1989 to provide a dedicated, recurring source of revenues for the development and implementation of a program to protect and restore the coastal area of Louisiana. During fiscal year 2010, transfers out amounted to $479 million and transfers in were $386 million.

- Lottery Proceeds Fund – This fund was established in 1990 to receive the surplus revenues from the Louisiana Lottery Corporation. In fiscal year 2010, the fund had transfers out of $128 million and transfers in of $134 million.

- Louisiana Medical Assistance Trust Fund – This fund was established in 1992 to assist in the operation and maintenance of the Medicaid program in the State. In fiscal year 2010, transfers out amounted to $216 million and transfers in were $110 million.

- Medicaid Trust Fund for the Elderly – This fund was created in 2000 and may be used as state matching funds for Medicaid, to make enhanced payments to local government owned health care facilities, intergovernmental transfer program, and reimbursement to DHH for certain costs. In fiscal year 2010, the fund had transfers out of $117 million and transfers in of $29 million.

- Overcollections Fund – This fund was originally created in 2004 to receive self-generated revenue of the Office of Financial Institutions that exceeded those anticipated in the May 2004 official forecast of the Revenue Estimating Conference. Since then the fund has been continually reenacted as a General Purpose fund and was permanently reenacted in 2007. In fiscal year 2010, the fund had transfers out of $134 million and transfers in of $295 million.

- Support Education in Louisiana First Fund – This fund was created in 2001 to provide salary increases for public school certificated personnel and classroom teachers, and post secondary education faculty. In fiscal year 2010, the fund reported transfers out of $108 million and transfers in of $152 million.

- Transportation Infrastructure Model for Economic Development (TIMED) – This fund was established in 1989 to be used exclusively for specific road and bridge projects with portions designated for the Port of New Orleans and the New Orleans International Airport. During fiscal year 2010, this fund had transfers out of $457 million; and transfers in totaled $17 million.

- Transportation Trust Fund – This fund, established in 1989, was created to receive the excess revenues on gasoline, motor fuels, and special fuels taxes. Purposes of the fund include highway construction and maintenance, statewide flood control, and ports and airports priority programs, among others. During fiscal year 2010, transfers out amounted to $1.3 billion and transfers in were $572 million.

- Video Draw Poker Device Fund – This fund was created in 1991 to receive an allocation of the revenues collected by the Gaming Division of the Office of State Police for fees, fines, penalties, and all other monies collected. During fiscal year 2010, this fund had transfers out of $191 million and transfers in totaling $191 million.

NOTE 5: CAPITAL ASSETS

A. PRIMARY GOVERNMENT (in thousands)

	Capital Assets July 1, 2009	Additions	Deletions	Capital Assets June 30, 2010
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 2,144,881	$ 53,343	$ 51	$ 2,198,173
Construction in progress	*544,750	119,631	194,671	469,710
Total capital assets not being depreciated	2,689,631	172,974	194,722	2,667,883
Other capital assets historical cost:				
Buildings and improvements	*1,873,483	200,782	16,911	2,057,354
Machinery and equipment	*787,516	81,570	67,576	801,510
Infrastructure	22,179,446	1,488,339	39,785	23,628,000
Intangible assets	--	11,205	--	11,205
Total other capital assets historical cost	24,840,445	1,781,896	124,272	26,498,069
Less accumulated depreciation and amortization:				
Buildings and improvements	*581,736	49,160	4,947	625,949
Machinery and equipment	*563,635	94,634	67,470	590,799
Infrastructure	9,657,270	537,731	2,652	10,192,349
Intangible assets	--	7,181	--	7,181
Total accumulated depreciation & amortization	10,802,641	688,706	75,069	11,416,278
Other capital assets, net of depreciation & amortization	14,037,804	1,093,190	49,203	15,081,791
Governmental activities capital assets, net	$ 16,727,435	$ 1,266,164	$ 243,925	$ 17,749,674
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ 5,665	$ 2	$ --	$ 5,667
Construction in progress	254,534	53,941	631	307,844
Total capital assets not being depreciated	260,199	53,943	631	313,511
Other capital assets historical cost:				
Buildings and improvements	32,182	1,185	44	33,323
Machinery and equipment	*24,985	2,262	3,135	24,112
Intangible assets	*38	345	--	383
Total other capital assets historical cost	57,205	3,792	3,179	57,818
Less accumulated depreciation and amortization:				
Buildings and improvements	15,739	666	35	16,370
Machinery and equipment	*17,936	1,411	1,710	17,637
Intangible assets	*14	54	--	68
Total accumulated depreciation & amortization	33,689	2,131	1,745	34,075
Other capital assets, net of depreciation & amortization	23,516	1,661	1,434	23,743
Business-type activities capital assets, net	$ 283,715	$ 55,604	$ 2,065	$ 337,254

* Restated Beginning Balances

Depreciation and amortization expense was charged to functions as follows:

Governmental activities:

General government	$	53,238
Culture, recreation, and tourism		4,184
Transportation and development		562,782
Public safety		18,344
Health and welfare		14,962
Corrections		11,837
Youth Services		2,172
Conservation		14,039
Education		7,148
Total governmental activities depreciation and amortization expense	$	688,706

B. COMPONENT UNITS (in thousands)

	Capital Assets July 1, 2009 *	Additions	Deletions	Capital Assets June 30, 2010
Capital assets not being depreciated:				
Land	$ *475,832	$ 27,538	$ 27,120	$ 476,250
Construction in progress	*486,949	373,386	276,253	584,082
Total capital assets not being depreciated	962,781	400,924	303,373	1,060,332
Other capital assets historical cost:				
Buildings and improvements	*4,872,763	299,980	46,672	5,126,071
Machinery and equipment	*1,791,654	100,173	54,059	1,837,768
Infrastructure	*629,934	50,537	256	680,215
Intangible assets	*22,251	2,212	129	24,334
Total other capital assets historical cost	7,316,602	452,902	101,116	7,668,388
Less accumulated depreciation and amortization:				
Buildings and improvements	*2,066,854	141,242	4,334	2,203,762
Machinery and equipment	*1,303,841	129,141	50,229	1,382,753
Infrastructure	*261,015	13,457	239	274,233
Intangible assets	*14,432	3,830	58	18,204
Total accumulated depreciation & amortization	3,646,142	287,670	54,860	3,878,952
Other capital assets, net of depreciation & amortization	3,670,460	165,232	46,256	3,789,436
Component units capital assets, net	$ 4,633,241	$ 566,156	$ 349,629	$ 4,849,768

* Restated Beginning Balances

C. IMPAIRMENT OF CAPITAL ASSETS

In fiscal year 2006, State capital assets were impaired as a result of physical damage sustained from Hurricanes Katrina and Rita. An impairment loss was calculated for this damage as required by GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

The State's college systems have assets impaired as a result of damage received from Hurricanes Katrina and Rita that remain idle at the end of fiscal year 2010. The carrying value of these idle impaired assets is as follows:

	Buildings	Machinery & Equipment
Louisiana State University System	$ --	$ 206,736
Louisiana Community & Technical College System	4,017,936	--
Southern University	1,365,985	--
	$ 5,383,921	$ 206,736

Impairment losses calculated for Governmental Activity assets include $69,200 for physical damage to a fleet canopy at the Department of Public Safety and Corrections. Impairment losses calculated for discrete entities include $5.3 million for Hurricane Katrina and Gustav damages at Louisiana State University.

There were no insurance recoveries received during fiscal year 2010 by the Office of Risk Management (ORM) for property damage from Hurricane Katrina, Rita, or Gustav. Insurance recoveries of $15,957,343 for discrete entities were paid during the year by ORM as property claims for damage from Hurricanes Rita and Gustav.

Other entities reporting insignificant insurance recovery from impairment losses not related to Hurricanes Katrina, Rita, and Gustav include the University of Louisiana System for a building that had wind damage and mechanical failure along with a vehicle that was totaled**.**

NOTE 6: EMPLOYEE BENEFITS – PENSION

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEMS

Background

The State of Louisiana maintains four defined benefit pension plans (DBP) that are considered component units of the State and are included in the Comprehensive Annual Financial Report (CAFR) as a part of the primary government. Those plans are administered by four public employee retirement systems. The Louisiana State Employees' Retirement System (LASERS) established July 1, 1947, includes classified and unclassified employees of the State. The Teachers' Retirement System of Louisiana (TRSLA) was established August 1, 1936, for the benefit of public school teachers and, effective July 1, 1983, includes school lunch employees. TRSLA offers a defined contribution plan to a relatively small, select group of employees in higher education. The Louisiana School Employees' Retirement System (LSERS) was established on July 1, 1947, for persons employed as school bus drivers, school janitors, school custodians, school maintenance employees, and any regular school employee who works on a school bus helping with the transportation of school children. The Louisiana State Police Retirement System (LSPRS) was established by Act 293 of 1938. Its members include commissioned law enforcement officers of the Office of State Police and the Superintendent of the Office of State Police.

In 1987, a constitutional amendment was ratified by the electorate that added subsection (E) to Article 10, Section 29, mandating the actuarial soundness of state and statewide retirement systems. In compliance with that amendment, the Legislature enacted Louisiana Revised Statute (LRS) 11:1-127 in its 1988 regular session to consolidate the public retirement law. LASERS and TRSLA must use the projected unit credit cost method to determine their actuarially required contributions; LSERS and LSPRS must use the entry age normal cost method for this determination.

LRS 11:42B (4), (5), (10), and (11) establish requirements for the amortization of unfunded accrued liabilities of these Public Employees Retirement Systems (PERS). LRS 11:42(B)(4) requires the unfunded accrued liability of LSERS as of June 30, 1988, be amortized over a forty-year period, beginning in fiscal year 1989-1990, with level dollar payments annually.

LASERS and TRSLA requirements before LRS 11:42(B)(5) and (11) were amended as follows:

The unfunded accrued liability as of June 30, 1988, determined under the projected unit credit funding method "...shall be amortized over a forty year period, commencing with the fiscal year 1989-1990."

LRS 11:42(B)(5) and (11) were amended in 1992 to require that the outstanding balance of the unfunded accrued liability as of June 30, 1992, for LASERS and TRSLA, "…shall be amortized over the remaining thirty-seven year period with payments forming an annuity at four and one half percent annually." LRS 11:42(B)(5) and (11) were amended in fiscal year 2009 by Act 497 of 2009 Regular Session to require that the outstanding balance of the unfunded accrued liability as of June 30, 2009, for LASERS and TRSLA, "…shall be consolidated with other

amortization bases and credits as provided in R.S. 11:102.1, and that consolidated total shall be amortized over the remaining constitutionally-mandated period with annual payments beginning in fiscal year 2010-2011. The final payment shall be made in fiscal year 2028-2029."

LRS 11:42(B)(10) specifies that the unfunded accrued liability of the LSPRS as of June 30, 1988, be amortized over a twenty year period, beginning in fiscal year 1989-1990, with level dollar payments annually.

LRS 11:62 specifies employee contribution rates each year for each system, while LRS 11:102 details the calculation of the employer contribution rate each year for each system.

Act 588 of the 2004 Regular Session made significant changes to prospective funding for LASERS, TRSLA, and LSERS. As a result of the Act, the outstanding balances of changes in liabilities prior to 1999 were re-amortized using the level dollar method until 2029. The remaining amortization periods for changes in liabilities, beginning with 1999 through 2003, were extended to a thirty year period from the date of occurrence and amortized as a level percentage of projected payroll. Bases established after June 30, 2004, are amortized over a thirty year period as level dollar payments. In addition, the Act authorizes the Legislature to set employer contribution rates based on specific criteria but no less than fifteen and one-half percent for LASERS and TRSLA. The Employer Credit Account is credited with contributions from the Actuarially Required Contribution rate that is in excess of the minimum rate set by the Legislature.

Act 852 of the 2008 Regular session establishes LRS 11:102(B)(3)(d)(viii) relative to the amortization periods and methods of amortizing outstanding balances of established amortization bases established before June 30, 2009, for the LSPRS. Effective July 1, 2009 the outstanding balances of existing increasing bases payable through June 30, 2029, are re-amortized as a level dollar. New bases established on and after the effective date will be amortized over a 30 year period as a level dollar.

Act 497 of the 2009 Regular Session provides that effective July 1, 2010, all LASERS & TRSLA amortization payment schedules established on or before July 1, 2008, except those established due to an increase in benefits for Peace Officers, Alcohol Tobacco Control employees and regular employees per Act 262 of 2008, will be consolidated into two amortization schedules, the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The OAB will consist of the outstanding balance of the Initial Unfunded Accrued Liability and schedules with negative outstanding balances. The outstanding balance of this schedule will be credited with funds from the Initial UAL account, excluding the subaccount of this fund. For TRSLA, the outstanding balance of this schedule will also be credited with the balance of the Employer Credit Account. The Initial UAL account will be credited interest at 8.25% in fiscal year 2009 and 2010.

For TRSLA, the OAB payment schedule will increase by 7% for 3 years, 6.5% for 4 years, and 2% until paid off in fiscal year 2029.

For LASERS, the OAB payment schedule will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for 2 years, and 2% until paid off in fiscal year 2029.

The EAAB will consist of the 2004 schedule and all remaining schedules. The outstanding balance of this schedule will be credited with the balance of funds from the Initial UAL subaccount, which were transferred from the Employee Experience Account on June 30, 2009.

For TRSLA, the EAAB payment schedule will increase by 7% for 3 years, 6.5% for 4 years, then will be level until paid off in fiscal year 2040.

For LASERS, the EAAB payment schedule will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for 2 years, then will be level until paid off in fiscal year 2040.

Act 497 also revises the amortization of contribution variances. For TRSLA, any overpayment of contributions received from fiscal years 2010 through 2040 will be credited to the EAAB and the EAAB will be re-amortized according to the new payment schedule. For LASERS, any overpayment of contributions received through fiscal year 2017 will be credited to the OAB and the OAB will be re-amortized according to the new payment schedule. Similarly, any overpayment resulting from the statutory minimum contribution of 15.5% exceeding the actuarially calculated contribution from fiscal year 2010 through 2040 for TRSLA and through 2017 for LASERS, will be credited to the EAAB and the EAAB will be re-amortized. Additionally, TRSLA's first $100,000,000 and LASERS' first $50,000,000 of investment gain above the actuarially assumed investment rate will be used to reduce and re-amortize the OAB. TRSLA's next $100,000,000 and LASERS' next $50,000,000 of excess investment return will be used to reduce and re-amortize the EAAB. Fifty percent of any excess return above $200,000,000 for TRSLA and $100,000,000 for LASERS will be credited to the Employee Experience Account.

Plan Description

Louisiana State Employees' Retirement System. Although there are 359 contributing employers in this system, LASERS is considered a single employer plan because the material portion of its activity is with one

employer - the State of Louisiana. The system is established and provided for within Title 11, Subtitle II, Chapter 1, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:441-501.

Those employees considered eligible for membership in LASERS include all employees of the State (except those specifically excluded by statute) and are eligible immediately upon employment. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. Effective January 1, 1996, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches retirement age, benefits are payable at 2.5% of the average of the highest three consecutive years of compensation, multiplied by the number of years of creditable service. Once an employee has accumulated 10 years of service, disability benefits apply based on the regular benefit formula without age restrictions. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Act 740 of the 2008 Regular Session changes the eligibility requirement of enforcement personnel of the Alcohol and Tobacco Control Office of the Department of Revenue to 25 years of service at any age, or 10 years of service at age 60. Final average compensation will be based on the member's average earned compensation for the highest 60 consecutive months of employment. Act 835 of the 2006 Regular Session increases the maximum retirement allowance for peace officers (other than state troopers) employed by the Department of Public Safety and Corrections, Office of State Police, to 3.33% for each year of qualifying service. Act 353 of the 2007 Regular Session, effective June 30, 2007, increases the maximum retirement allowance for personnel employed by the Department of Revenue, Office of Alcohol and Tobacco Control to 3.33% for each year of qualifying service. All other benefit provisions remain the same as those for regular members.

Act 992 of 2010 Regular Session, effective January 1, 2011, provides for the creation of three new plans for LASERS' members who are hired on or after January, 1, 2011: Rank and File Plan, Judges Plan, and Hazardous Duty Plan. The act also provides for a change in retirement eligibility for Act 75 members from 10 years of service at age 60 to 5 years of service at age 60.

The Rank and File Plan created within LASERS combines certain subplans and eliminates enhanced benefit provisions with LASERS relative to certain members. It further provides that the governor, lieutenant governor and certain legislators will receive the same benefits as rank and file members. The Judges Plan created within LASERS is for judges and court officers with special retirement eligibility requirements and benefit provisions.

The Hazardous Duty Services Plan created within LASERS is for persons whose first employment making them eligible for LASERS membership occurred on or after January 1, 2011, for certain hazardous duty positions. Each member of an existing hazardous duty plan with LASERS may retain membership in that plan. Final average compensation will be based on the member's average earned compensation for the highest 60 consecutive months of employment. For members under this new plan, retirement eligibility is 25 years of service at any age, 12 years or more at age 55, or 20 years at any age with reduced benefits and are not eligible to participate in Deferred Retirement Option Plan (DROP) or IBO. Retirement benefits are payable at 3.33% of the members' average salary, multiplied by the number of creditable service not to exceed 100% of the average compensation. Disability benefits are provided based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duty of 75% of average compensation regardless of years of service. This benefit is payable only if the injury or injuries were sustained while on active duty status.

Act 301 of 2009 Regular Session allows a member employed at a public college or university who voluntary or involuntarily participates in a furlough plan implemented as a result of budget reductions the option to accrue service credit for the periods of the furlough. The service credit shall be used for calculation of benefits and attaining retirement eligibility. The employee and the employer shall remit their respective contributions which would have been remitted if not for the furlough. The service credit accrued, together with certain other credit purchases, shall not exceed 5 years. This provision shall not apply to furloughs implemented as a result of a declaration of financial exigency or force majeure. The furlough days shall not exceed 30 days in any fiscal year.

In 1990, the Legislature created the DROP with Act 14. When members enter DROP, they continue to work at their regular job and draw their regular salary for a period of up to three years. While in DROP, the retiree's retirement benefits are paid into a special account. The election is irrevocable once participation begins. Interest is credited after participation ends, at which time the member must choose a distribution option for benefits that have accumulated in the DROP account. The DROP program was designed to have no actuarial effect on LASERS' unfunded liability. Currently, there are 2,629 members in the program.

Teachers' Retirement System of Louisiana. The TRSLA is the administrator of a cost-sharing multiple employer plan.

The system was established and provided for within Title 11, Subtitle II, Chapter 2, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:761-813.

The word “plan” as used below does not carry the same definition as referred to in GASB Statements 25, 26, and 27. Our use of the word “plan” in this context refers to individual benefit options. Those employees considered eligible for membership in TRSLA include teachers and eligible school lunch employees who are eligible immediately upon employment. Under the Teachers’ Regular Plan, as amended by Act 1055 of 2001, members are vested after 5 years of service. A teacher member who became a member prior to July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age, and will receive benefits based on a formula of 2%; a teacher member who retires with 25 years of service at age 55, 20 years at age 65, or 30 years at any age will receive benefits based on a formula of 2.5%. A teacher member who became a member on or after July 1, 1999, is eligible to retire after at least 5 years of service at age 60, 20 years at any age (actuarially reduced), 25 years of service at age 55, or 30 years at any age and will receive benefits based on a formula of 2.5%. In 1983 the Louisiana School Lunch Employees’ Retirement System was merged into this system. The Louisiana School Lunch Employees’ Retirement System contained two plans that were acquired by TRSLA: Plan A for members who are employed by the school system and are not covered by the Social Security system, and Plan B for members who are employed by the school system and are covered by Social Security. Plan A members are eligible to receive benefits based on a 3% benefit formula after 5 years of service at age 60, 25 years at age 55, or 30 years service at any age. A 2% benefit formula accrues to Plan B members after 5 years service at age 60 and after 30 years service at age 55. These benefits are calculated on a percentage of the member’s average salary for the thirty-six highest successive months.

The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. After an employee has accumulated five years of service, he becomes eligible for disability benefits based on the regular benefit formula without age restrictions if determined eligible by the medical board. Act 992 of 2010 Regular Session changed the eligibility for disability benefits from five years to ten years for members hired on or after January 1, 2011. The member must also be in active service at the time of filing the application for disability retirement. Otherwise, reduced benefits are available based on varying percentage formulas for each plan.

The Optional Retirement Plan (ORP), in LRS 11:921-931, provides a defined contribution program for academic employees in higher education. Eligible members have the option of making an irrevocable election to participate in the ORP rather than the TRSLA and purchase annuity contracts for benefits payable at retirement. Monthly contributions based on percentages of salary are made by the employee and the employer to companies selected as providers of the plan. ORP provides for portability of assets and full and immediate vesting of all contributions submitted to the participating companies on behalf of the employees. In accordance with LRS 11:927(B), the system retains 9.74% of the 15.5% ORP employer contributions to be applied to the unfunded accrued liability of the system. Thus, the amount transferred to the carrier is the employer's portion of the normal cost contribution, which has been determined by the Public Retirement Systems' Actuarial Committee to be 5.76%. The number of employers participating in the ORP program is currently 122. Current membership in the program is 24,047. The ORP is not an obligation of the State or TRSLA, and is therefore not included in the CAFR.

Act 301 of 2009 Regular Session allows a member employed at a public college or university who voluntary or involuntarily participates in a furlough plan implemented as a result of budget reductions the option to accrue service credit for the periods of the furlough. The service credit shall be used for calculation of benefits and attaining retirement eligibility. The employee and the employer shall remit their respective contributions which would have been remitted if not for the furlough. The service credit accrued, together with certain other credit purchases, shall not exceed 5 years. This provision shall not apply to furloughs implemented as a result of a declaration of financial exigency or force majeure. The furlough days shall not exceed 30 days in any fiscal year. Members of the ORP are eligible for this provision but they do not earn service credit, rather the employee and the employer contributions are remitted to a third-party provider who invests the ORP funds on behalf of the participant.

Members of TRSLA also have the option of participating in a three-year DROP program. Although Act 1055 of 2001 changes the vesting requirements, members must still have 10 years of service credit to participate in DROP. Current membership in the program is 3,148. The election is irrevocable once participation begins.

The Initial Lump-Sum Benefit (ILSB) became effective January 1, 1996. Under this program, a retiring member who does not participate in DROP can select an ILSB alternative. This alternative provides the retiree with a one-time payment of up to 36 months of a regular maximum monthly retirement benefit with a reduced regular monthly retirement benefit for life.

On January 1, 2000, TRSLA established the Excess Benefit Plan. This plan is an unfunded, non-qualified plan intended to be a qualified excess benefit arrangement. It is designed to pay excess benefits to those members who retired on July 1, 1988, or later. The excess benefit is the portion of the TRSLA benefit that exceeds the maximum benefit allowed under Section 415 of the Internal Revenue Code.

Louisiana School Employees' Retirement System. Although the LSERS is considered part of the State of Louisiana financial reporting entity, it is not a part of the State payroll. LSERS is the administrator of a cost-sharing, multiple-employer, defined-benefit pension plan. The system was established and provided for by LRS 11:1001-1206. LRS 11:1116 mandates that specified employees become members of the system as a condition of employment. Benefit provisions are authorized in LRS 11:1141-1153.

Membership is mandatory for all employees under age 60 employed by a Louisiana parish or city school board, who work more than 20 hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, and any regular school employee who works on a school bus helping with the transportation of school children. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches retirement age. The maximum retirement benefit is an amount equal to 3.33% of the average compensation for the 3 highest consecutive years of membership service, multiplied by the number of years of service limited to 100% of final average compensation, plus a supplementary allowance of $2 per month for each year of service. For members who joined the system on or after July 1, 2006, the average compensation used to calculate benefits consist of the 5 highest consecutive years' average salary. Once an employee has accumulated 5 years of service, disability benefits apply based on the normal benefit formula without age restrictions. A member who joined the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Other benefits have resulted from legislative changes and include cost-of-living benefits.

Effective July 1, 1992, members of the LSERS may elect to participate in the DROP and defer receipt of benefits. The election may be made one time only and is limited to three years. Monthly retirement benefits are paid into the plan and credited to a subaccount for that individual. Interest credited and payments from the DROP account are made in accordance with LRS 11:1152(F)(3). Upon termination of participation in both the plan and employment, a participant may receive either a lump sum payment from the account or systematic disbursements. All employers are eligible to participate in DROP. The number of employers currently having plan members participating in the DROP program is 68. As of June 30, 2010, there were 599 members participating in the program.

Effective January 1, 1996, the Legislature authorized the Plan to establish the Initial Benefit Retirement Plan (IBRP). IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in DROP. IBRP provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from the IBRP account are made in accordance with LRS 11:1152(F)(3).

Louisiana State Police Retirement System. The LSPRS was established by Act 293 of 1938 and is the administrator of a single employer plan. Benefit provisions are authorized within LRS 11:1307-1322.

Those employees considered eligible for membership in LSPRS include commissioned law enforcement officers of the Office of State Police and the Superintendent of State Police, and are eligible immediately upon employment.

After 10 years of service at age 50, benefits are determined by multiplying the years of service credit by 3.33% to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed before September 8, 1978, with 20 years of service at any age, benefits are determined by multiplying the years of service by 3.33% to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed on or after September 8, 1978, with 25 years of service at any age, benefits are determined by multiplying the years of service by 3.33% to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.

Act 992 of 2010 Regular Session created a new State Police Retirement Plan within LSPRS for members whose first employment making them eligible for membership in LSPRS occurred on or after January 1, 2011. For members under this new plan, retirement eligibility is 25 years of service at any age, 12 years or more at age 55, or 20 years at any age with reduced benefits and are not eligible to participate in the Back-DROP. Retirement benefits are payable at 3.33% of the members' average salary, multiplied by the number of creditable service not to exceed 100% of the average compensation. Disability

benefits are provided based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duty of 75% of average compensation regardless of years of service. This benefit is payable only if the injury or injuries were sustained while on active duty status.

The following Acts of the 2003 Regular Legislative Session affect LSPRS as described. Act 211 provides a retroactive (to January 1, 1999) benefit to the surviving spouse of less than two years of any member who died of terminal cancer diagnosed prior to April 1, 2003. Act 538 provides a benefit of 100% of final average compensation or $36,000 annually, whichever is greater, for certain catastrophic disability retirees as of June 30, 2003. Act 748 provides a 20% longevity bonus or benefits as provided by LRS 11:1307.1, whichever is greater, for members who participated in DROP on or before June 30, 2003, and who continued in employment after DROP. Act 876 amended the plan to make it eligible for tax-shelter qualification with the Internal Revenue Service effective January 1, 2004. Disability benefits equal 50% of average salary plus one and one-half percent of average salary for each year in excess of 10 years. Disability benefits shall be modified whenever a non-service disability retiree is engaged in gainful employment. Non-duty disability rates vary depending on length of service, but begin after 5 years of service credit. Death benefits vary whether cause was in the line of duty and whether there is a surviving spouse and/or number of minor children. The system provides for deferred benefits for vested members who terminate before being eligible for retirement.

Any active member who is eligible to receive a service retirement allowance is eligible to participate in the DROP and defer receipt of benefits. The participation period shall not exceed 3 years. Upon termination of employment at the end of the DROP period, a participant may receive benefits in a lump sum payment, by a true annuity or in any other manner approved by the Board. Current membership in the program is 5.

Effective October 1, 2009, active members who have not participated in DROP may elect to participate in BACK-DROP. BACK-DROP allows an eligible member, at retirement, to look back up to three years and make an election to have entered DROP based on service and final average compensation that existed at that time. Benefit adjustments are made to the benefit accruals and employee contributions that occurred during the DROP period.

A summary of government employers participating in the plans at June 30, 2010, is as follows:

		Number of Employers
LASERS	State Agencies	219
	Other Public Employers	140
	Total	359
TRSLA	School Boards	69
	Colleges and Universities	27
	State Agencies	63
	Charter Schools	33
	Other	16
	Total	208
LSERS	School Boards	64
	Other Agencies	41
	Total	105
LSPRS		1

Summary of Significant Accounting Policies

All four systems use the accrual basis of accounting for operating income and operating expenses. Within this context, interest income is recognized when earned, as are employer and employee contributions. Dividends are recognized when declared. State fund appropriations are recognized when earned by LASERS, TRSLA, and LSPRS. LASERS, LSERS, and TRSLA use the trade date basis to record investment purchases and sales. In addition, contributions are recognized in the period in which the amounts are due pursuant to formal commitments. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

As required by GASB Statement 25*, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, investments are reported at fair value. Investments are reported as follows:

LASERS. Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgage securities are valued on the basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value (such as private equity, real estate, and tangible assets) has been determined by management based on the individual investment's capital account balance, reported at fair value, at the closest available reporting period, adjusted for subsequent contributions, distributions, and management fees. Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near-term. Investments that do not have an established market are reported at

estimated fair value. Unrealized gains and losses are included as investment earnings in the Statement of Changes in Fiduciary Net Assets.

LASERS has no investments in any single organization (other than those issued or guaranteed by the U.S. Government) that represents more than 5% of the plan net assets nor does LASERS hold more than 5% of any corporation's stock available for benefits.

Land, building, equipment, furniture, and computer software are carried at historical cost. Depreciation is computed using the straight-line method based on useful lives of 40 years for the building, 3 to 15 years for equipment and furniture, and 7 years for computer software.

TRSLA. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rate. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be sold. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on a basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value as determined by the custodian under the direction of trustees.

TRSLA has no investments of any single organization (other than those issued or guaranteed by the U.S. Government) that represents more than 5% of the plan net asset, available for pension benefits nor does TRSLA hold more than 5% of any corporation's outstanding stock.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

LSERS. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Shares in external investment pool and mutual funds are equivalent to the fair value of the external investment pool and mutual funds. Real estate held for investment is valued at fair market value which is based upon appraised value.

LSERS has no investments of any one organization (other than those issued or guaranteed by the U.S. Government) that represent more than 5% of the plan net assets, nor does LSERS hold more than 2% of a companies' outstanding equity. There are no investments in loans to or leases with parties related to the pension plan. The investment activity of LSERS is subject to an investment policy adopted by the Board of Trustees and to oversight by the Board of Trustees.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

LSPRS. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rates. Investments that do not have an established market are reported at estimated fair value as determined by the Retirement System's investment consultant.

LSPRS has the following investments that represent 5% or more of LSPRS's total investments at June 30, 2010: (1) Loomis Sayles Fixed Income Fund; (2) Templeton Institutional Funds; (3) Institutional Equity Funds; (4) State Street S&P Mid Cap 400 Index Securities Lending (5) State Street S&P 500 Flagship Fund; and (6) State Street Aggregate Bond Market Index Securities Lending.

Furniture, fixtures, and equipment are stated at cost and are being depreciated on the straight-line basis over their estimated useful lives. The estimated useful lives range from 3 to 10 years.

Contributions

A system's funding policy refers to the amounts and timing of contributions to be made by employers, participants, and any other sources to provide the benefits a pension plan specifies. Employee and employer contributions for all systems are provided for in Chapter 2 of Title 11 of the Louisiana Revised Statutes. Each system is described separately in the following paragraphs.

LASERS. The vast majority of employees of the State who became members before July 1, 2006, contribute 7.5% of their salaries. Act 75 of the 2005 Regular Session increases the member contribution rate from 7.5% to 8.0% for new members hired after June 30, 2006. Act 835 of the 2006 Regular Session increases the contribution rate of peace officers employed by the Department of Public Safety and Corrections, Office of State Police, other than state troopers to 9.0%. Act 353 of the 2007 Regular Session increases the contribution rate of personnel employed by the Department of Revenue, Office of Alcohol and Tobacco Control, to 9%. Other exceptions include: judges, court officers, the governor, lieutenant governor, and legislators, who contribute 11.5% of their respective

salaries; the Clerk of the House of Representatives, the Secretary of the Senate, and special legislative employees who contribute 9.5% of their salaries; correctional officers, security personnel, and probation officers who contribute 9.0%; wildlife agents who contribute 9.5%; Bridge Police employees for the Crescent City Connection who contribute 8.5% of their salaries; and the State Treasurer who contributes 7.5% of his salary. The employers of each group listed contributed 18.6% of the employees' salaries toward future benefits for fiscal year 2010.

Act 992 of 2010 Regular Session changed the rate for members whose first employment making them eligible for membership in LASERS occurs on or after January 1, 2011, as follows: rank-and-file members - 8%; court officers, the governor, lieutenant governor and legislators - 8%; Clerk of the House of Representatives and Secretary and special legislative employees of the Senate - 8%; members of the Hazardous Duty Services Plan - 9.5%; and judges holding positions specified in LRS 11:553 - 13%. Act 1004 of 2010 Regular Session provides for an additional benefit equal to 1% times the number of creditable service years as a judge in a position specified in LSR 11:553.

RS 11:429 allows any LASERS member with at least one year of service credit in the system to purchase up to five years of additional service credit in one-year increments. The purchased service credit is to be used solely for the calculation of retirement benefits, and may not be used for the attainment of additional years of retirement eligibility.

TRSLA. Contributions required of TRSLA members and their employers are based on the plan in which the employee participates. During the year ended June 30, 2010, members of the system's Regular Plan contributed 8.0% of their earned compensation, with the employer contributing 15.5%. Members of the TRSLA Plan A contributed 9.1% of their salary and the employer contributed 15.5%. Members of TRSLA Plan B contributed 5.0% of their compensation and the employer made a 15.5% contribution. The sources of employer contributions are appropriated state funds and tax proceeds collected in the parishes and remitted by the respective parishes' sheriff's office.

Act 7 of the Second Extraordinary Session of 2008 provided additional appropriations for LASERS and TRSLA. The act specifies that these appropriations are to be used to re-amortize the remaining outstanding balance of the Initial Unfunded Actuarial Liability (IUAL) when the amortization will produce a fixed payment that is less than the remaining increasing payments. The amounts appropriated for LASERS and TRSLA were $20,000,000 and $40,000,000, respectively.

LSERS. Member contributions are established by statute and are currently 7.5% of earned compensation. Act 318 of 2010 Regular Session increased the member’s contribution from 7.5% to 8% for members employed on or after July 1, 2010. Employer contributions, provided by the Board of Trustees, were decreased to 17.6% for fiscal year 2010.

Act 1331 of the 1999 Regular Session provides for the establishment of an Employer Credit Account consisting of the accumulated excess employer contributions which exceeded the actuarially required employer rate.

LSPRS. Effective October 1, 2009, member contributions are 8.5% of earned compensation and are deducted from the member's salary. Act 992 of 2010 Regular Session changed the rate for members whose first employment making them eligible for membership in one of the state systems occurs on or after January 1, 2011, is 9.5%. The employer’s contribution includes various fees collected by the Office of Motor Vehicles and appropriations from the State.

As required by GASB Statement 27, paragraph 20(b)(3), the LSERS and the TRSLA, both cost-sharing employers, disclose the following information:

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage Contributed
LSERS		
6/30/08	$ 50,003,327	103.5%
6/30/09	$ 57,895,311	96.2%
6/30/10	$ 75,027,998	71.0%
TRSLA		
6/30/08	$ 637,097,695	116.2%
6/30/09	$ 697,190,561	106.4%
6/30/10	$ 904,382,657	83.5%

The ARC differs significantly from actual contributions made. This difference is in part due to a state statute that requires the contribution rate to be calculated and set two years prior to the year effective and in part due to each Plan's requirement to contribute the actuarially required amount or the contribution percentage required by the Louisiana Constitution, whichever is greater.

Excess contributions collected over the amount set by the Legislature are added to the Employer Credit Account. The Employer Credit Account is used to fund future years' actuarially required employer contributions. At June 30, 2010, the balance in the account for LSERS remains at $0 and the balance for TRSLA is $0.

LASERS, subject to the minimum contribution requirement, currently has a balance of $0 in the Employer Credit Account.

As required by GASB Statement 27, paragraph 21, the LASERS and LSPRS, both single employers, disclose the following information.

The state's annual pension cost and net pension obligation to LASERS and LSPRS for the current year are as follows:

	LASERS	LSPRS
Annual required contribution	$ 585,268,922	$ 34,935,975
Interest on net pension obligation	(4,113,251)	(1,187,907)
Adjustment to annual required contribution	9,665,777	5,402,542
Annual pension cost	**590,821,448**	**39,150,610**
Contributions made	(510,541,641)	(29,641,699)
Increase (Decrease) in net pension obligation	80,279,807	9,508,911
Net pension obligation beginning of year	(49,857,589)	(15,838,774)
Net pension obligation end of year	$ **30,422,218**	$ **(6,329,863)**

In accordance with GASB 27, paragraph 21(b), the LASERS and LSPRS disclose the following:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
LASERS			
6/30/08	$440,894,520	119.5 %	$(34,972,651)
6/30/09	$491,379,499	103.0 %	$(49,857,589)
6/30/10	$590,821,448	86.4 %	$ 30,422,218
LSPRS			
6/30/08	$ 19,099,665	99.0 %	$(19,824,130)
6/30/09	$ 23,854,267	83.3 %	$(15,838,774)
6/30/10	$ 39,150,610	75.7 %	$ (6,329,863)

Actuarial Methods and Assumptions

The following table provides information concerning actuarial methods and assumptions as of the June 30, 2010, actuarial valuation date.

	LASERS	TRSLA	LSERS	LSPRS
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age	Entry Age
Amortization Method	Level Dollar*	Level Dollar*	Level Dollar*	Level Dollar**
Remaining Amortization **** Period (Open or Closed Period)	Up to 30 years* Closed	Up to 30 years* Closed	19-30 years* Closed	19 years** Closed
Asset Valuation Method	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average
Actuarial Assumptions:				
Investment Rate of Return[#]	8.25%	8.25%	7.5%	7.5%
Projected Salary Increases	4.3 – 14%***	3.5 – 7.50%	4.0– 6.0%	4.5 – 15.5%
Cost of Living Adjustment	None[##]	None[##]	None	None
[#]Includes inflation at:	3%	3%	3%	3%

[##] Act 144 of 2009 provides a one-time minimum benefit increase, effective July 1, 2009, to retirees who meet the eligibility requirements. The increase in actuarial accrued liability resulting from the minimum benefit increase will be funded from the Employee Experience account, prior to liquidating per Act 497. Act 497 of 2009 moves the remaining balance of this Employee Experience account on June 30, 2009, after deducting the cost of the minimum benefit increase to a subaccount of the IUAL Amortization Fund.

Act 270 of 2009 Regular Session, effective July 1, 2009, provides a member, upon applying for retirement, the irrevocable option to elect a retirement plan whereby his benefit is actuarially reduced, but he shall receive a 2.5% cost of living adjustment (COLA) annually on his retirement anniversary date. The COLA shall be payable to any retiree who is age 55 and older. This provision is not available to disability retirees in LASERS. This provision is available to disability retirees upon conversion to a service retirement in TRSLA, LSERS and LSPRS, but this provision does not apply to any participant in a Back-DROP or program in LSPRS.

* Effective July 1, 2004, RS 11:102 mandated the following amortization periods and methods of unfunded accrued liabilities for changes, gains and losses:

System	Occurring	Amortization Method	Remaining Period
LASERS	Before 1999	Level Dollar	Through 2029
	1999-2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change
TRSLA	Before 2001	Level Dollar	Through 2029
	2001 - 2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change
LSERS	Before 2001	Level Dollar	Through 2029
	2001 - 2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change

** Effective July 1, 2009, RS 11:102 mandates the following amortization periods and methods of unfunded accrued liabilities for changes, gains and losses for the LSPRS:

Occurring	Amortization Method	Remaining Period
Before 2009	Level Dollar	Through 2029
2009 and later	Level Dollar	30 years from change

*** The listed projected salary rates do not include those for judges, correction officers and wildlife agents.

Changes to Actuarial Methods and Assumptions from prior year:

	2010	2009
LSERS		
Cost of Living Adjustment	None	None
Remaining Amortization Period	19-30	20-30
LASERS		
Cost of Living Adjustment	None	3%
TRSLA		
Projected Salary Increases	3.5 – 7.5%	3.5 – 7.5%
Cost of Living Adjustment	None	None
Inflation Rate	3%	3%
LSPRS		
Projected Salary Increases	4.5 – 15.5%	4.0 – 15.5%
Inflation Rate	3%	3%
Remaining Amortization Period	19	20

**** Act 497 of 2009 consolidates the outstanding balance of all amortization schedules established on or before July 1, 2008, into two amortization schedules, the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The consolidation is effective July 1, 2010.

Funding Status and Progress

Because the purpose of each system is to provide specific benefits to groups of employees at various times in the future, actuarial valuations and assumptions are made regularly. The most recent actuarial valuation for the four statewide retirement systems is as of June 30, 2010. The Schedule of Funding Progress for the six* most recent actuarial valuations are as follows:

Schedule of Funding Progress
(Expressed in Thousands)

LASERS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$8,512,403	$8,499,662	$9,167,170	$8,345,495	$7,430,784	$6,673,500
Actuarial Accrued Liability	$14,764,015	$13,986,847	$13,562,214	$12,421,907	$11,548,680	$10,847,062
Unfunded AAL	$6,251,612	$5,487,185	$4,395,044	$4,076,411	$4,117,896	$4,173,562
Funded Ratio	57.7%	60.8%	67.6%	67.2%	64.3%	61.5%
Annual Covered Payroll	$2,546,457	$2,562,576	$2,436,956	$2,175,367	$1,979,705	$2,100,043
UAAL as a Percentage of Covered Payroll	245.5%	214.1%	180.3%	187.4%	208.0%	198.7%
Unfunded Funding Actuarial Liability	$6,251,612	$5,693,998	$4,473,115	$4,129,688	$4,164,544	$4,202,817

TRSLA	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$12,868,484	$13,500,766	$15,507,834	$14,812,298	$13,088,358	$12,082,682
Actuarial Accrued Liability	$23,674,842	$22,839,411	$22,090,516	$20,772,330	$19,390,781	$18,699,765
Unfunded AAL	$10,806,358	$9,338,645	$6,582,683	$5,960,032	$6,302,423	$6,617,083
Funded Ratio	54.4%	59.1%	70.2%	71.3%	67.5%	64.6%
Annual Covered Payroll	$3,977,819	$3,912,326	$3,675,014	$3,224,566	$2,892,959	$3,132,169
UAAL as a Percentage of Covered Payroll	271.7%	238.7%	179.1%	184.8%	217.9%	211.3%
Unfunded Funding Actuarial Liability	$10,806,358	$10,117,515	$6,967,625	$6,250,578	$6,554,990	$6,812,643

Schedule of Funding Progress
(Expressed in Thousands)

LSERS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$1,350,073	$1,410,316	$1,578,991	$1,558,328	$1,480,748	$1,423,207
Actuarial Accrued Liability	$2,213,362	$2,153,360	$2,060,242	$1,947,603	$1,872,594	$1,889,445
Unfunded AAL	$863,289	$743,044	$481,251	$389,275	$391,846	$466,238
Funded Ratio	61.0%	65.5%	76.6%	80.0%	79.1%	75.3%
Annual Covered Payroll	$306,333	$315,400	$289,259	$259,045	$239,321	$259,232
UAAL as a Percentage of Covered Payroll	281.8%	235.6%	166.2%	150.3%	163.7%	179.9%
Unfunded Funding Actuarial Liability	$863,289	$743,044	$481,251	$389,275	$391,846	$466,238

LSPRS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$391,669	$395,905	$438,075	$428,880	$379,704	$322,482
Actuarial Accrued Liability	$704,747	$678,307	$637,832	$587,527	$546,238	$516,427
Unfunded AAL	$313,078	$282,402	$199,757	$158,646	$166,534	$193,945
Funded Ratio	55.6%	58.4%	68.7%	73.0%	69.5%	62.4%
Annual Covered Payroll	$59,340	$59,556	$56,728	$49,763	$49,256	$49,290
UAAL as a Percentage of Covered Payroll	527.6%	474.2%	352.1%	318.8%	338.1%	393.5%
Unfunded Funding Actuarial Liability	$313,078	$282,402	$199,757	$158,646	$166,534	$238,206

(* GASB 25, paragraph 34, requires only three years of valuations for single employer plans. We chose to show six years for all statewide retirement systems.)

Unfunded Actuarial Accrued Liability (UAAL) differs from the Unfunded Funding Actuarial Liability (UFAL) for funding purposes. UFAL for funding purposes excludes Initial Unfunded Actuarial Liability (IUAL) Amortization Fund Assets and the Employer Credit Account, when applicable.

Pursuant to Act 497 of the 2009 Regular Session, the balance in the Experience Account (formerly the Employee Experience Account) is reset to zero effective June 30, 2009, and is limited to no more than the reserve for two permanent benefit increases (formerly cost-of-living adjustments). Funds remaining in the Experience Account at June 29, 2009, were moved to a subaccount of the Initial Unfunded Actuarial Liability Amortization Fund and retained there until applied in a manner consistent with the provisions of this Act. The account is used to fund permanent benefit increases for retirees. At June 30, 2010, the Experience Accounts for both LASERS and TRSLA had zero balances as prescribed by the Act.

NOTE: A Schedule of Funding Progress is Required Supplementary Information for each of the individual retirement systems. This RSI can be found on the following pages of the individual reports: LASERS – 40, TRSLA – 61, LSERS – 31, LSPRS – 21.

Readers wishing to see pension information not included in this report, such as Required Supplementary Information, may request a copy of the separately issued financial reports by writing to each retirement system individually at the addresses listed in Note 1.

B. LOUISIANA LOTTERY CORPORATION RETIREMENT PLANS

Pursuant to LRS 47:9015(A), the Louisiana Lottery Corporation provides two defined contribution retirement plans for its employees.

1. Basic Retirement

The Basic Retirement Plan was established effective September 1, 1993, with all employees eligible except those who elect coverage under a State retirement plan and those who are either independent contractors or leased employees. Eligible employees may participate in the Plan immediately upon employment. Employer contributions for fiscal year 2010 were 5% of the participant's compensation. Employee contributions were 6.2% of their compensation. Participants are fully vested immediately. Plan assets do not revert for the benefit of the employer. Benefit distributions commence as of the date designated by the participant (annuity starting date) after termination of employment, but not later than April 1st of the year following the calendar year in which the participant attains age seventy and one half. The participant must make a qualified election to receive the distribution in the form of a single-sum payment or in the form of a qualified joint and survivor annuity or single life annuity contract. Employee and employer contributions for fiscal year 2010 were $331,287 and $267,169, respectively.

2. Supplemental Retirement

Substantially all full-time employees are eligible to participate in the Supplemental Retirement Plan. The Louisiana Lottery Corporation contributed 4.5% of each

participant's compensation for fiscal year 2010. Generally, participants are not permitted to contribute to the Plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRS Section 402. Effective July 1, 1991, all eligible employees employed by the Corporation on or before that date participate in the Plan. Thereafter, an eligible employee participates in the Plan as of the entry date that coincides with or immediately follows the date on which the eligible employee completes 90 consecutive calendar days of employment with the Corporation. Each plan year, the board of directors of the Corporation may determine the amount of a discretionary contribution not to exceed 2% of each participant's compensation for any plan year. Plan participants are fully vested and amounts are nonforfeitable upon the participant's death, disability, or attainment of the normal retirement date or upon the completion of three years of service. Plan assets do not revert for the benefit of the employer. The distribution of a participant's vested and nonforfeitable portion of his or her account is made in the form of a single-sum payment after the participant terminates employment with the employer, attains the normal retirement age (65 years of age), or dies. Employer contributions for fiscal year 2010 were $318,085.

NOTE 6A: EMPLOYEE BENEFITS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Background

The State of Louisiana compensates its employees in a variety of ways in exchange for their services. In addition to a salary, many employees are provided benefits over their years of service that will not be received until their employment with the State ends. The most common type of these postemployment benefits is a pension. Other postemployment benefits (OPEB) provided are healthcare and life insurance benefits. For fiscal year 2010, costs of providing the State's portion of retiree medical and life insurance benefit premiums were recognized as an expense when the benefit premiums were due and thus were financed on a pay-as-you-go basis.

A. OFFICE OF GROUP BENEFITS (OGB) PLAN

Plan Description

Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, effective for the fiscal year ending June 30, 2007, addresses the OPEB reporting requirements for the State's OPEB plan, Office of Group Benefits (OGB). Through self-insured and self-funded OGB programs, premiums are collected and benefits are paid as they come due in accordance with an agreement between the employers and plan members, and their beneficiaries. OGB is the administrator for the agent multiple-employer defined benefit OPEB plan; it provides healthcare coverage and life insurance to eligible participants who are employees of the State, some school systems, and certain non-state employers. A summary of employers and members participating in the plan at June 30, 2010, is as follows:

	Number of Employers		Plan Membership
States	1	Retirees and	
School systems	43	beneficiaries	48,165
Non-state agencies	88	Active plan members	85,230
State agencies	237	Total	133,395
Total	369		

Benefit provisions are established or may be amended under the authority of LRS 42:802. All benefits and premium structures are reviewed by the OGB Policy and Planning Board. A written report from this Board is forwarded to the House Appropriations Committee and Senate Finance Committee for oversight. OGB does not issue a stand alone financial report on the Plan; however, the financial information is included in the State's Comprehensive Annual Financial Report (CAFR). A copy of the CAFR can be obtained on the website at www.doa.la.gov/OSRAP/CAFR-2.htm.

Summary of Significant Accounting Policies

OGB's financial statements are prepared on the full-accrual basis of accounting using the economic resources measurement focus. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The financial statements of OGB include the financial transactions of only the state agencies and are reported in the General Fund. There were no long-term contracts for contributions to the plan, legally required reserves, or designations of net assets for the plan at the reporting date. The financial statements of the non-state agencies and school systems collectively are reported in the agency fund, Non-State Entities OPEB Fund. These agency fund statements are prepared on the accrual basis but do not have a measurement focus, as they report only assets and liabilities.

Funding Policy

Substantially all employees become eligible for postretirement benefits if they reach normal retirement age while working for the State and are a member of OGB. Life insurance for the individual employee is financed by equal contributions from the State and the employee; insurance for eligible dependents and voluntary optional life products are funded totally through employees'

contributions. To be eligible for retiree health insurance coverage, the coverage must be in effect prior to the retirement date. For those beginning participation or rejoining on or after January 1, 2002, the state subsidy of the premium is based on the number of years of participation in a Group Benefits Health Plan. This also applies to dependents that begin coverage after July 1, 2002. LRS 42:851 provides the authority under which the obligations of the plan members, employers, and other contributing entities that contribute to the plan are established or may be amended. OGB offers four standard healthcare plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan, the Health Maintenance Organization (HMO) plan, and the Medical Home HMO Plan (MHHP). Retired employees who have Medicare Part A and Part B coverage also have access to five OGB Medicare supplemental plans. Administrative costs of the OGB plan are financed through the premiums collected for all classes of active and retired plan members. Contribution amounts vary depending on which healthcare provider is selected from the plan, years of participation, and if the member has Medicare coverage. Following is a summary of plan provisions:

Summary of Plan Provisions

Health Insurance Monthly Premiums

Employees hired before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2009-2010 are shown in the table below.

Employees hired on or after January 1, 2002 pay a percentage of the total contribution rate upon retirement based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

Total premium rates are as follows:

	PPO	EPO	HMO	MHHP
Active				
Single	558.64	581.04	536.36	532.00
With Spouse	1186.56	1234.04	1139.12	1129.96
With Children	681.32	708.60	654.12	649.04
Family	1251.40	1301.44	1201.36	1191.68
Retired No Medicare & Re-employed Retiree				
Single	1039.28	1080.80	997.72	989.52
With Spouse	1835.20	1908.56	1761.72	1747.60
With Children	1157.64	1203.92	1111.40	1102.28
Family	1826.32	1899.36	1753.28	1739.12
Retired with 1 Medicare				
Single	337.96	351.48	324.44	321.84
With Spouse	1248.72	1298.64	1198.68	1189.00
With Children	584.96	608.36	561.60	557.00
Family	1663.80	1730.32	1597.20	1584.28
Retired with 2 Medicare				
With Spouse	607.48	631.72	583.16	578.28
With Family	752.16	782.24	722.08	716.08

All members who retire on or after July 1, 1997 must have Medicare Parts A and B in order to qualify for the reduced premium rates.

Medicare Supplemental Rates	Retired with 1 Medicare	Retired with 2 Medicare
Humana HMO	149.00	298.00
Peoples Health	142.00	284.00
Vantage	198.00	396.00
Humana FFS	165.00	330.00
Secure Horizons	198.50	397.00

Life Insurance Premiums

Retiree pays 50 cents for each $1,000 of life insurance.

Retiree pays 88 cents for each $1,000 of spouse life insurance.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Effective July 1, 2007, the State implemented GASB 45 prospectively which requires reporting on an accrual basis the liability associated with other postemployment benefits and the OPEB liability at transition was zero. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year for the OGB plan are as follows (dollar amounts in thousands):

	Primary Government	Component Units
Annual required contribution	$ 576,478	$ 274,834
Interest on OPEB obligation	48,969	24,853
Adjustment to annual required contribution	(46,780)	(23,742)
Annual OPEB cost (expense)	578,667	275,945
Contributions made	(147,050)	(69,427)
Increase in net OPEB obligation	431,617	206,518
Net OPEB obligation beginning of year, restated	1,224,617	621,334
End of year	$ 1,656,234	$ 827,852

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Gov't:			
6/30/2008	737,730	18.46%	601,527
6/30/2009	765,524	18.46%	1,225,742
6/30/2010	578,667	25.41%	1,656,234
Component Units:			
6/30/2008	379,186	17.64%	312,311
6/30/2009	377,200	18.09%	621,277
6/30/2010	275,945	25.16%	827,852

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $7,490,167,000 for the primary government and $3,413,382,000 for component units. The covered payroll (annual payroll of active employees covered by the plan) was $1,830,427,000 for the primary government and $1,491,615,000 for the component units, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 409% for the primary government and 229% for the component units. As of June 30, 2010, the State did not have an OPEB trust. A trust was established with an effective date of July 1, 2008, but was not funded at all, had no assets, and hence had a funded ratio of zero.

Actuarial valuations of the State's plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that

are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), which is based on the expected long-term investment returns on the employer's own investments, and on initial annual healthcare cost trend rates of 8.5% and 9.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll amortization method on an open basis. The remaining amortization period at June 30, 2010, was thirty years.

B. LSU HEALTH PLAN

Plan Description

The Louisiana State University (LSU) System (System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries the opportunity to participate in one of two healthcare coverage plans. One offering is OGB, which has already been discussed in this note, and the other is LSU Health Plan (the Plan). The Plan is also offered to members of the State House of Representatives and the State Senate, its officers and staff, and the Legislative Budgetary Control Council which are primary government entities. Upon leaving employment with LSU, the State House of Representatives, State Senate, or the Legislative Budgetary Control Council, employees can transfer the Plan to OGB eligible employers provided the employer signs a successor employer agreement with LSU. Therefore, some participants of the Plan are currently employees of the primary government. Participation in the Plan by primary government employees is limited and not material. As a result, the plan is identified as a single-employer defined benefit healthcare plan that is not administered as a trust or equivalent arrangement. The System selects claim and pharmaceutical administrators to administer the plan; they are selected through a formal Request for Proposals process followed by negotiations between the System and qualified vendors. The Plan does not issue a stand alone financial report, but the financial information on the Plan is included in the System's audited Financial Report which can be obtained on the System's website at www.fas.lsu.edu/acctservices/far_b/supp_2010.html. A summary of members participating in the plan at June 30, 2010, is as follows:

Retirees and beneficiaries	1,944
Active plan members	11,656
Total	13,600

Summary of Significant Accounting Policies

The System's financial statements are prepared on the full-accrual basis of accounting using the economic resources measurement focus. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. There were no long-term contracts for contributions to the plan, legally required reserves, or designations of net assets for the plan at the reporting date.

Funding Policy

Administrative costs of the LSU Health Plan are financed through the premiums collected for all classes of active and retired plan members. The plan rates are actuarially determined and must be approved by OGB under LRS 42:851.B; they are in effect for one year and members have the opportunity to change providers during the open enrollment period which usually occurs in April. Employees become eligible for postemployment benefits if they reach normal retirement age while working for the State. The Plan offers plan members a choice of selecting Option 1 or Option 2. Contribution amounts vary depending on which option is selected from the plan. Following is a summary of plan provisions:

Summary of Plan Provisions

Health Insurance Monthly Premiums

Employees hired before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2009-2010 are shown in the table below.

Employees hired on or after January 1, 2002, pay a percentage of the total contribution rate upon retirement based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

Total Premium Rates are as follows:

	Option 1	Option 2
Active		
Single	532.38	460.32
With Spouse	949.84	821.26
With Children	653.22	583.68
Family	1,135.54	993.44
Retired No Medicare & Re-employed Retiree		
Single	1,010.94	924.02
With Spouse	1,785.15	1,631.60
With Children	1,126.06	1,024.72
Family	1,776.52	1,619.30
Retired with 1 Medicare		
Single	309.86	267.90
With Spouse	1,070.14	925.30
With Children	588.60	529.74
Family	1,518.40	1,327.48
Retired with 2 Medicare		
With Spouse	540.74	467.56
Family	734.24	641.94

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Effective July 1, 2007, the State implemented GASB 45 prospectively which requires reporting on an accrual basis the liability associated with other postemployment benefits and the OPEB liability at transition was zero. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year were as follows (dollar amounts in thousands):

	Primary Government	Component Unit
Annual required contribution	$ 2,067	$ 62,333
Interest on OPEB obligation	157	4,205
Adjustment to annual required contribution	(120)	(3,210)
Annual OPEB costs (expense)	2,104	63,328
Contributions made	(515)	(12,599)
Increase in net OPEB obligation	1,589	50,729
Net OPEB obligation beginning of year	3,132	84,096
Net OPEB obligation end of year	$ 4,721	$ 134,825

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Government:			
6/30/2008	N/A	N/A	N/A
6/30/2009	3,644	14.05%	3,132
6/30/2010	2,104	24.48%	4,721
Component Units:			
6/30/2008	49,787	20.37%	39,646
6/30/2009	55,745	20.27%	84,096
6/30/2010	63,328	19.90%	134,825

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $15,585,000 for the primary government and $608,551,000 for component units. The covered payroll (annual payroll of active employees covered by the plan) was $23,197,000 for the primary government and $629,381,000 for the component units, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 67.19% for the primary government and 96.69% for the component units. As of June 30, 2010, the plan had no assets, and hence had a funded ratio of zero.

Actuarial valuations of the LSU Health Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarial determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% investment rate of return (net of administrative expenses), which is based on the expected long-term investment returns on the employer's own investments, and on an initial healthcare inflation rate of 10%, and an ultimate rate of 5%. The unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll amortization method on an open basis. The remaining amortization period at June 30, 2010, was thirty years. Projected salary increases were 4% per annum.

C. OTHER PLANS

Six discretely presented component units of the State have their own Postemployment Benefits Plan and provided actuarial valuation results to the State. The net OPEB obligation at June 30, 2010 for each of the six plans was Southeast Louisiana Flood Protection Authority – East $5,717, Greater New Orleans Expressway Commission $1,604, Louisiana Citizens Property Insurance Corporation $947, Southeast Louisiana Flood Protection Authority – West $376, Tensas Basin Levee Board $267, and Louisiana Motor Vehicle Commission $267 for a total of $9,178 (dollar amounts in thousands). These plans are not disclosed in detail in the CAFR but are available in the agencies' separate financial statements. For the addresses of the agencies, see note 1 of this CAFR.

NOTE 6B: EMPLOYEE BENEFITS - TERMINATION BENEFITS

A. Background

The State of Louisiana implemented Governmental Accounting Standards Board (GASB) Statement No. 47, *Accounting for Termination Benefits*, effective for the fiscal year ending June 30, 2006, which addresses the reporting requirements for termination benefits. Termination benefits are benefits other than salary and wages that are provided by the state as settlement for involuntary terminations initiated by management or as an incentive for voluntary terminations initiated by employees. These benefits include:

- Early retirement incentives, such as cash payments
- Continued access to healthcare, including COBRA
- Career counseling
- Outplacement services

B. Description of Termination Benefits

In fiscal year 2010 some state agencies adopted lay off avoidance plans to provide a mechanism to balance budget deficits while delaying or avoiding layoffs. These layoff avoidance plans included early retirement incentives, which resulted in the payment of termination benefits by some state agencies. The retirement incentives consisted of 32% to 50% of the employees' annual salary which would be saved in a fiscal or calendar year calculated on the employees' actual salary for the year without the need for future discounting. Each layoff avoidance plan was approved by the Department of Civil Service per Civil Service Rules 17.2 and 17.9. The retirement incentives were offered to employees who were eligible for regular retirement in accordance with state retirement systems regulations. Employees who were eligible for early retirement were excluded. See Pensions note 6 for qualifications for regular retirement.

A summary of state agencies that adopted lay off avoidance plans and number of state employees accepting early retirement incentives are as follows:

	Number of Terminations
Primary Government	267
Component Units	31
Total	298

C. Schedule of Termination Benefits

A summary of liabilities, expenditures and expenses for termination benefits for Primary Government are as follows: the liabilities are $2,950,249 and the expenditures are $4,377,548. In the government-wide statements, the expenses for termination benefits are $6,025,267 and the liabilities are $4,597,968, which is reported as other liabilities in the Statement of Net Assets.

A summary of liabilities and expenses for termination benefits for Component Units are as follows: the liabilities are $0 and the expenses are $926,595.

NOTE 7: LEASES

A. LEASE AGREEMENTS

The State of Louisiana has entered into numerous operating and capital lease agreements for equipment, land, and buildings. Most leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all leases contracted by the state are included in the schedules below:

B. OPERATING LEASES

Operating lease payments are recorded as expenditures or expenses of the applicable fund when the related liability is incurred and primary government and component units totaled $73,293 and $29,382 (expressed in thousands) respectively, for the fiscal year ended June 30, 2010. Commitments of the primary government under operating lease agreements for equipment, land, and buildings provide for future annual rental payments as follows (expressed in thousands):

Fiscal Year	Office Space	Equipment	Land	Other	Total
2011	$ 47,067	$ 2,643	$ 205	$ 5,568	$ 55,483
2012	36,205	1,708	160	5,258	43,331
2013	27,296	1,691	148	5,092	34,227
2014	17,390	1,575	148	4,307	23,420
2015	11,047	1,594	100	4,138	16,879
2016-2020	15,591	6,104	180	9,289	31,164
2021-2025	17,715	6,418	125	10,182	34,440
Total	$ 172,311	$ 21,733	$ 1,066	$ 43,834	$ 238,944

Operating leases for component units are as follows (expressed in thousands):
Office space - $54,658; Equipment - $7,208; Land - $2,224; and Other - $58,217 for a total of $122,307

C. CAPITAL LEASES AND INSTALLMENT PURCHASE AGREEMENTS

Capital lease obligations are payable from resources of the governmental and proprietary funds. The following is a schedule of future minimum payments remaining under contracts in existence at June 30, 2010 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2011	$ 3,759	$ 36	$ 8,259
2012	1,680	36	7,412
2013	949	23	7,038
2014	264	--	6,756
2015	255	--	6,990
2016-2020	--	--	28,184
2021-2025	--	--	18,230
2026-2030	--	--	1,533
2031-2035	--	--	--
2036-2040	--	--	--
Subtotal	6,907	95	84,402
Less interest and executory costs	392	3	22,593
Present value of minimum lease payments	$ 6,515	$ 92	$ 61,809

The gross amount of the leased assets at June 30, 2010 (expressed in thousands) for governmental activities is $5,919 for office space and $10,746 for equipment; for business-type activities is $432 for equipment; and for component units is $5,882 for office space, $94,251 for equipment, and $257 for other.

Total capital leases by asset classes include the following (expressed in thousands):

	Governmental Activities	Business-Type Activities	Component Units
Buildings	$ 1,646	$ --	$ --
Office Space	498	--	6,535
Equipment	4,763	95	77,753
Land	--	--	--
Other	--	--	114
Total Capital Leases	$ 6,907	$ 95	$ 84,402

D. LESSOR LEASES

Various property and facilities are leased to outside parties as leases from port authorities, levee districts, universities, and various other entities. The current amount of lease revenues (expressed in thousands) is $1,654 for the primary government and $8,344 for component units for the fiscal year ended June 30, 2010.

The value of the property carried on the financial reports for the entities included below (expressed in thousands) is $10,000 for land, $257,099 for buildings, and $2,825 for equipment. Accumulated depreciation on the buildings and equipment totaled $139,277.

OPERATING LEASES

The following is a schedule by years of minimum future rentals on operating leases as of June 30, 2010 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2011	$ 1,396	$ 217	$ 14,179
2012	128	130	12,783
2013	24	42	9.948
2014	24	7	9,324
2015	7	--	9,152
2016-2020	11	--	38,531
2021-2025	11	--	20,071
2026-2030	11	--	13,617
2031-2035	--	--	12,730
2036-2040	--	--	1,120
Total	$ 1,612	$ 396	$ 141,455

The contingent rental revenue received from the lessor operating leases above as of June 30, 2010 (expressed in thousands) is $2,062 for office rentals, $98 for equipment rentals, $412 for land, and $54 for other rentals totaling $2,626.

NOTE 8: LONG-TERM OBLIGATIONS

A. DEBT AUTHORIZATION AND LIMITATIONS

The Louisiana Constitution of 1974 provides that the State shall have no power, directly or indirectly, through any board, agency, commission, or otherwise, to incur debt or issue bonds except by law enacted by two-thirds of the elected members of each house of the Legislature. LRS 39:1365(25) limits the legislative authorization of general obligation bonds and other general obligations secured by the full faith and credit of the State by prohibiting total authorized bonds from exceeding an amount equal to two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years prior to such authorization. The bond authorization limitation is $25,194,775,000. The total general obligation bonds authorized are $2,099,285,000 at June 30, 2010, or 8.33% of the bond authorization limit.

LRS 39:1402(D) limits issuance by the Louisiana State Bond Commission of general obligation bonds or other general obligations secured by the full faith and credit of the State. The highest annual debt service requirement for the current or any subsequent fiscal years for general obligation debt, including the debt service on any bonds or other obligations that are proposed to be sold by the Louisiana State Bond Commission, may not exceed 10% of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to the issuance being proposed. The general obligation debt issuance limitation is $1,259,739,000. At June 30, 2010, the highest current or future annual general obligation debt service requirement is $322,987,000, which represents 25.64% of the debt issuance limitation.

LRS 39:1367, enacted pursuant to a constitutional amendment, provides that the State Bond Commission establish annually a limit on the net State tax-supported debt issued subject to certain percentages established in the statutes and based on General Fund and dedicated funds revenues forecast by the Revenue Estimating Conference. The maximum amount of net State tax-supported debt allowed by statute for fiscal year 2009-2010 is 6.00% of estimated General Fund and dedicated funds revenues established by the Revenue Estimating Conference, which was $592,098,000. During the fiscal year 2009-2010, the total net State tax-supported debt paid was $483,010,377 or 4.89% of the estimated General Fund and dedicated funds' revenues established by the Revenue Estimating Conference.

B. AUTHORIZED BUT UNISSUED DEBT

The Omnibus Bond Authorization Act of 2010 provides for the repeal of all acts authorizing the issuance of general obligation bonds, except for any act authorizing issuance of refunding bonds and Act 41 of the 2006 First Extraordinary Session. Act 41 authorized the sale of bonds to provide relief to political subdivisions of the state affected by natural catastrophes. The Omnibus Bond Authorization Act requires the legislature to annually repeal the issuance of general obligation bond authorizations for projects that are no longer found feasible or desirable; to reauthorize general obligation bonds for projects deemed to be essential, and to authorize new projects. As a result, there were no authorized but unissued general obligation bonds outstanding at June 30, 2010.

C. PURPOSE AND RETIREMENT OF GENERAL OBLIGATION BONDS

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities including ports, university facilities, public schools, parks, bridges, roads, and charity hospitals. General obligation bonds are backed by the full faith, credit, and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and discretely presented component units and is therefore recorded in these funds, the State remains contingently liable for its payment. General obligation debt issued to finance the construction and equipping of education buildings and other facilities for colleges and universities and not secured by a pledge of revenues from the related facilities is a direct obligation of the State and is reported in the government-wide financial statements. Other general obligation debt of the college and university funds, which is being retired from pledged resources of those funds, is reported as a liability of the component units although the State remains contingently liable for its retirement. Interest on variable-rate bonds is generally reset each Wednesday and is based on the SIFMA Rate, plus a fixed percentage, depending on the bond offering, except for the Series 2008-A that is based on the SIFMA Rate only.

In order to facilitate the funding of capital improvements by certain governmental units and political subdivisions of the State, the Omnibus Bond Authorization Act of 2009 authorized the issuance of general obligation bonds contingent upon executing a reimbursement contract with the State Bond Commission pertaining to the reimbursement payments and reimbursement reserve account payments for such projects. A reimbursement contract is a contract between the State, as bond issuer, and an entity, through which the entity receives a portion of bond money for its project. The entity repays or reimburses the State at the same interest rate and the same maturity dates as the bond issue. Entities utilize reimbursement contracts to attempt to obtain a better interest rate.

Reimbursement contracts include colleges and universities in the amount of $570,000 and miscellaneous contracts in the amount of $6,408,263. Applicable interest to maturity is $58,363 and $641,409, respectively. In the accompanying financial statements, reimbursement contracts are shown as accounts receivable and the debt shown is not reduced for these items.

D. LONG-TERM OBLIGATIONS OUTSTANDING AT JUNE 30, 2010

Long-term obligations outstanding at June 30, 2010, principal only, are as follows (expressed in thousands):

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
GOVERNMENTAL ACTIVITIES:						
General obligation bonds payable	$ 2,458,755	$ 319,020	$ 310,100	$ 2,467,675	$ 194,445	Variable
Other bonds payable by agency:						
Crescent City Connection	8,780	--	2,045	6,735	2,195	2.00 – 3.65%
Health Education Authority of Louisiana	7,465	--	185	7,280	175	5.70 – 8.30%
Louisiana Correctional Facilities Corporation	21,640	--	1,565	20,075	1,630	4.00 – 5.00%
Office Facilities Corporation	276,570	94,910	120,440	251,040	17,955	4.00 - 7.75%
Public Safety LPFA	63,290	--	4,365	58,925	4,590	5.00 – 5.88%
Office Facilities Corporation LPFA	284,967	--	10,292	274,675	10,750	3.20 – 6.50%
Tobacco Settlement Financing*	938,005	--	38,960	899,045	123,095	5.50 – 6.36%
Transportation Infrastructure Model for Economic Development	2,297,095	163,750	109,005	2,351,840	6,090	2.70 – 6.50%
Total other bonds payable	3,897,812	258,660	286,857	3,869,615	166,480	
Less/add deferred amounts:						
Discounts*	(16,818)	--	(450)	(16,368)	(1,135)	
Premiums*	179,039	25,569	15,253	189,355	14,903	
Net unamortized amounts	162,221	25,569	14,803	172,987	13,768	
Total bonded debt	6,518,788	603,249	611,760	6,510,277	374,693	
Other liabilities:						
Compensated absences	225,980	93,579	92,566	226,993	18,558	
Capital lease obligations	11,469	--	4,954	6,515	3,759	
Claims and litigation payable*	1,706,159	807,053	434,586	2,078,626	143,346	
Notes payable	490	--	373	117	71	
OPEB payable*	1,215,408	575,689	146,972	1,644,125	--	
Pollution remediation liabilities	27,572	62,484	5,963	84,093	62,572	
Other long-term obligations	67,848	--	1,259	66,589	3,600	
Total other liabilities	3,254,926	1,538,805	686,673	4,107,058	231,906	
Total long-term obligations Governmental Activities*	$ 9,773,714	$ 2,142,054	$ 1,298,433	$ 10,617,335	$ 606,599	

***restated**

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
BUSINESS-TYPE ACTIVITIES						
Bonds payable						
Revenue bonds*	$ 195,800	$ 66,000	$ 66,000	$ 195,800	$ --	3.50 – 4.45%
Deferred discount*	(32,124)	--	(889)	(31,235)	--	
Total bonds payable	163,676	66,000	65,111	164,565	--	
Other liabilities:						
Compensated absences*	2,633	312	210	2,735	786	
Capital lease obligations	120	24	52	92	36	
Notes payable	4,142	--	2,424	1,718	62	
Claims and litigation payable*	738,050	35,400	--	773,450	122,727	
OPEB payable*	12,341	5,085	596	16,830	--	
Other long-term liabilities	61,913	11,251	22,183	50,981	--	
Total other liabilities	819,199	52,072	25,465	845,806	123,611	
Total long-term obligations						
Business-Type Activities	$ 982,875	$ 118,072	$ 90,576	$ 1,010,371	$ 123,611	

***restated**

COMPONENT UNITS:						
Bonds payable:						
Revenue bonds*	$ 3,705,370	$ 210,005	$ 240,253	$ 3,675,122	$ 187,991	Variable
Deferred Costs and Premiums*	5,310	--	1,139	4,171	116	
Total bonds payable	3,710,680	210,005	241,392	3,679,293	188,107	
Other liabilities:						
Compensated absences*	221,275	35,093	35,220	221,148	20,298	
Capital lease obligations	65,832	1,335	5,358	61,809	5,272	
Amounts held in custody for others	15,930	--	15,930	--	--	
Contracts payable	9,191	341	7,138	2,394	2,138	
Notes payable*	93,563	54,594	29,025	119,132	27,227	
Claims and litigation payable	28,696	132,571	1,329	159,938	243	
OPEB payable*	711,166	343,771	83,082	971,855	--	
Pollution remediation liabilities*	140	51	15	176	51	
Other long-term liabilities	65,492	49,956	14,499	100,949	17,519	
Total other liabilities	1,211,285	617,712	191,596	1,637,401	72,748	
Total long-term obligations						
Component units	$ 4,921,965	$ 827,717	$ 432,988	$ 5,316,694	$ 260,855	

***restated**

E. DEBT SERVICE REQUIREMENTS AT JUNE 30, 2010

Annual principal and interest payments for bonds and notes (expressed in thousands) are as follows. Interest requirements for variable-rate debt are calculated using the rate in effect at the financial statement date.

	Governmental Activities								
	General Obligation Bonds			Other Bonded Debt			Totals		
Year:	Principal	Interest	Total	Principal	Interest	Total	Total Principal	Total Interest	Total
2011	$ 194,445	$ 132,311	$ 326,756	$ 166,480	$ 153,153	$ 319,633	$ 360,925	$ 285,464	$ 646,389
2012	184,260	123,977	308,237	120,565	189,068	309,633	304,825	313,045	617,870
2013	173,120	114,711	287,831	129,120	183,317	312,437	302,240	298,028	600,268
2014	181,725	105,948	287,673	136,055	176,446	312,501	317,780	282,394	600,174
2015	165,795	97,390	263,185	145,330	168,918	314,248	311,125	266,308	577,433
2016–20	766,335	376,912	1,143,247	772,225	710,188	1,482,413	1,538,560	1,087,100	2,625,660
2021–25	648,335	215,198	863,533	329,739	559,342	889,081	978,074	774,540	1,752,614
2026–30	153,660	34,001	187,661	355,645	475,737	831,382	509,305	509,738	1,019,043
2031–35	--	--	--	465,594	379,978	845,572	465,594	379,978	845,572
2036–40	--	--	--	674,106	245,664	919,770	674,106	245,664	919,770
2041–45	--	--	--	574,756	64,367	639,123	574,756	64,367	639,123
Costs	117,044	--	117,044	55,943	--	55,943	172,987	--	172,987
Total	$ 2,584,719	$ 1,200,448	$ 3,785,167	$ 3,925,558	$ 3,306,178	$ 7,231,736	$ 6,510,277	$ 4,506,626	$ 11,016,903

	Business-Type Activities			Component Units		
	Revenue Bonds			Revenue Bonds		
Year:	Principal	Interest	Total	Principal	Interest	Total
2011	$ --	$ 3,382	$ 3,382	$ 187,991	$ 182,049	$ 370,040
2012	--	3,382	3,382	173,605	174,106	347,711
2013	--	3,382	3,382	195,881	164,508	360,389
2014	1,605	6,820	8,425	199,780	154,533	354,313
2015	225	6,787	7,012	212,315	144,132	356,447
2016–20	10,915	33,242	44,157	957,523	549,831	1,507,354
2021–25	36,965	28,445	65,410	652,000	359,173	1,011,173
2026–30	66,670	23,553	90,223	570,743	188,535	759,278
2031–35	43,063	14,735	57,798	369,681	85,573	455,254
2036–40	36,357	6,642	42,999	155,603	14,986	170,589
2041–45	--	--	--	--	--	--
Costs	(31,235)	--	(31,235)	4,171	--	4,171
Total	$ 164,565	$ 130,370	$ 294,935	$ 3,679,293	$ 2,017,426	$ 5,696,719

	Governmental Activities			Business-Type Activities			Component Units		
	Notes Payable			Notes Payable			Notes Payable		
Year:	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	$ 71	$ 3	$ 74	$ 62	$ 1	$ 63	$ 27,227	$ 7,235	$ 34,462
2012	46	1	47	1,656	--	1,656	17,952	2,771	20,723
2013	--	--	--	--	--	--	3,807	1,956	5,763
2014	--	--	--	--	--	--	4,898	1,829	6,727
2015	--	--	--	--	--	--	4,072	1,687	5,759
2016–20	--	--	--	--	--	--	19,947	6,402	26,349
2021–25	--	--	--	--	--	--	18,310	3,235	21,545
2026–30	--	--	--	--	--	--	11,263	909	12,172
2031–35	--	--	--	--	--	--	8,243	399	8,642
2036-40	--	--	--	--	--	--	3,413	43	3,456
2041-45	--	--	--	--	--	--	--	--	--
Total	$ 117	$ 4	$ 121	$ 1,718	$ 1	$ 1,719	$ 119,132	$ 26,466	$ 145,598

F. DEFEASED BONDS

The following table enumerates the principal balances of previously outstanding bonds considered defeased at June 30, 2010 (expressed in thousands). The defeased bonds are not included in the accompanying financial statements.

Bond Series	Date Defeased	Maturity Date	Amount Defeased	Outstanding at June 30, 2010
Primary Government:				
1994-A	5/98	Various	108,245	--
1997-A	1/05	Various	142,925	--
1998-B	1/05	Various	130,540	--
2000-A	1/05	11/10	190,930	190,930
2002-A	1/05	04/12	92,970	92,970
2003-A	1/05	05/13	39,915	39,915
2004-A	1/05	10/14	45,240	45,240
1998-A	11/09	Various	124,505	94,440
Component Units:				
Louisiana Stadium and Exposition District:				
1994-A	12/98	Various	$ 48,475	$ 46,455
1995-A	12/98	7/24	10,500	10,500
1995-B	12/98	7/25	12,140	12,050
1996-A	12/98	Various	63,095	62,205
Greater New Orleans Expressway Commission	11/92	Various	54,920	44,005

G. REFUNDING OF BONDS

Office Facilities Corporation Lease Revenue Bonds

On November 17, 2009, Office Facilities Corporation issued $94,910,000 of Series 2009 Office Facilities Corporation Lease Revenue Refunding Bonds (Louisiana State Capitol Complex Program), bearing interest rates of 2.5% to 5.0%, to advance refund $100,435,000 of outstanding Series 1999-A Office Facilities Corporation Lease Revenue Bonds (Louisiana State Capitol Complex Program) bearing interest rates of 5.0% to 5.375%. Refunding proceeds of $113,535,111 included bond proceeds at the par amount of $94,910,000, the original issue premium of $4,527,616, and cash from the Series 1999-A Reserve Account of the Debt Service Reserve Fund of $14,097,495. Proceeds of $103,020,330 (which included a 1% call penalty of $1,004,350) were deposited in an irrevocable trust with an escrow agent to provide for the full redemption of the outstanding Series 1999-A bonds on December 17, 2009. In addition, $9,943,762 was deposited in the Series 2009 Reserve Account of the Debt Service Reserve Fund and $571,019 was paid for issuance costs. As a result, the liability for the Series 1999-A bonds has been removed from the governmental activities column of the statement of net assets. The State advance refunded the bonds to reduce its total gross debt

service payments over the next nine years by $10,542,321 and to obtain an economic gain of $6,389,784. Unamortized 1999-A bond issuance costs were $522,394 at the date of refunding.

General Obligation Refunding Bonds

On October 30, 2009, the State issued $119,020,000 of General Obligation Refunding Bonds, Series 2009-B, with interest rates ranging from 2.0% to 5.0%, to advance refund the balance outstanding of $124,505,000 in General Obligation Refunding Bonds, Series 1998-A, bearing interest rates ranging from 3.65% to 4.875%. Refunding proceeds of $126,137,040 included bond proceeds at the par amount of $119,020,000 and a premium of $7,117,040. Proceeds of $125,997,361 were deposited in an irrevocable trust with an escrow agent to provide for the full redemption of the outstanding Series1998-A bonds of $124,505,000 on December 4, 2009. Also deposited was $622,525 for a 0.5% call penalty and $869,836 for accrued interest. Issuance costs of $139,679 were also paid from the proceeds. As a result, the liability for the Series 1998-A bonds has been removed from the governmental activities column of the statement of net assets. The State advance refunded the bonds to reduce its total gross debt service payments over the next 4 years by $8,131,372 and to obtain an economic gain of $7,847,132.

Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds

In June 2010, the Louisiana State Bond Commission current refunded its Series 2009 A-2 State of Louisiana Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds (Build America Bonds). The bonds' interest rate was based on the London Interbank Offered Rate (LIBOR), plus 275 basis points (the "Indexed Rate"), provided, however, that the Indexed Rate would never be less than 3% percent per annum nor more than 12% per annum. The bonds were refunded with State of Louisiana Gasoline and Fuels Tax Second Lien Revenue Refunding Bonds Series 2010-A [SIFMA Index Bonds], with an interest rate equal to the Securities Industry and Financial Markets Association (SIFMA) rate, plus 0.75% (the "Indexed Rate"), provided, however, that the Indexed Rate shall never exceed 12% per annum. This was a refunding designed to convert the debt from a taxable structure for federal tax purposes to a tax-exempt structure. The Series 2010-A final payment is due May 2043. The sources of the refunding included bond proceeds at par amount of $103,125,000 and a contribution from the State of $487,266, totaling $103,612,266. Of this amount, $103,125,000 was used to redeem the Series 2009 A-2 bonds and $487,265.50 was for issuance costs. As a result, the liability for the Series 2009 A-2 bonds has been removed from the governmental activities column of the statement of net assets. The refunding provides an approximate 100 basis point spread savings on the outstanding issue. The projected gross debt service savings over the three year period of the transaction is $3.3 million, all of which accrues to the benefit of the Transportation Trust Fund.

H. CONDUIT DEBT

Revenue bonds were issued by the Louisiana Agricultural Finance Authority (LAFA), a component unit, which constituted conduit debt outstanding at year-end totaling $86,407,949 which is currently in default. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

Revenue bonds were issued by the Louisiana Public Facilities Authority (LPFA), a component unit, which constituted conduit debt outstanding at year-end totaling $6,111,175,087. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

I. OTHER GENERAL LONG-TERM OBLIGATIONS

The liability for compensated absences is described in detail in Note 1, Section C; the liability for capital leases is described in more detail in Note 7, Section C; the liability for claims and litigation is described in more detail in Notes 9, Section B; the liability for OPEB is described in more detail in Note 6A; and the liability for pollution remediation is described in more detail in Note 9, Section F.

J. PLEDGED REVENUES

Governmental Activities

Vehicular License Taxes

Mississippi River Bridge Authority issued its bridge revenue refunding bonds in 2002 for the Crescent City Connection Project in the amount of $19,900,000 to refund all or a portion of the outstanding 1992 bonds and fund the costs of issuance. The bonds are payable from and secured by a pledge of Highway Fund No. 2 moneys (comprised of the annual vehicular license taxes collected in six parishes), income earned from investment and any other moneys accruing to the Authority. The Authority has obligated the Highway Fund No. 2 moneys to cover the principal and interest requirements until the bonds are fully paid in 2012. The Authority earned $5,441,447 of Highway Fund No. 2 revenue as of June 30, 2010, and paid principal and interest of $2,045,000 and $336,631, respectively, on the bonds. The outstanding bond principal and interest is $6,735,000 and $460,284, respectively.

Contract Parking Agreement – Tulane University

Health Education Authority of Louisiana (HEAL) is a body corporate created to operate a multi-institutional facility that included public and private institutions dedicated to health related services (the Medical Complex). HEAL

issued taxable revenue bonds of $9,350,000 in December 1998 to finance the acquisition, construction and installation of an additional 516 parking spaces to an existing multilevel parking garage and build a skywalk to another facility. The garage was for Tulane Medical Center employees and students, visitors to the Medical Complex and the public. The bonds are payable solely from the income and revenues derived by the Authority from the parking garage, including payments received from Tulane University pursuant to a contract parking agreement and lease agreement through 2031. The Authority has agreed to pay the principal and interest requirements as they become due and payable until the bonds are fully paid in 2031. The total principal and interest remaining on the bonds is $7,300,000 and $6,249,860, respectively. The principal and interest paid for the current year was $165,000 and $480,825.

Office of Motor Vehicle Handling Fees

Louisiana Public Facilities Authority (LPFA) issued revenue bonds to the Department of Public Safety and Corrections, an agency of the State, in 1999 and in 2001 to enable the department to acquire, construct, and equip a new Department of Public Safety Services complex and a new Joint Emergency Services Training Center complex. LPFA issued refunding bonds of $62,895,000 in October 2007 to advance refund the 1999 and 2001 outstanding revenue bonds. The 2007 bonds are secured by an irrevocable pledge and dedication of the handling fees collected by the Office of Motor Vehicles; $13,555,178 of handling fees were collected during fiscal year ended June 30, 2010. This revenue will remain pledged until the bonds and the loan agreement have been fully paid and discharged in 2022. The total principal and interest remaining on the bonds is $56,625,000 and $16,843,125. The principal and interest paid for the current year was $3,870,000 and $2,928,000, respectively.

Fire Insurance Premiums

LPFA issued revenue bonds of $5,255,000 in 2002 for the Department of Public Safety and Corrections, an agency of the State, to provide funds to relocate, plan, acquire, construct, and equip the Department of Public Safety Fire Marshal's Headquarters. The Department agrees to make all bond-related payments due subject to annual appropriation by the Legislature from the Louisiana Fire Marshal Fund. In addition, the appropriated funds may be utilized first to satisfy payroll obligations prior to making the debt service payments. Failure by the Legislature to appropriate sufficient funds to satisfy the obligation of the Department under the funding agreement will not constitute an event of default, and the funding agreement will continue in full force and effect as if the appropriation had been made. The bonds are payable through 2014. Louisiana Fire Marshal Fund revenues are comprised of an annual tax levied on the gross annual premium receipts from any business that insures property in Louisiana against loss or damage by fire and any moneys collected from the imposition of fees on sprinkler systems. In fiscal year ended June 30, 2010, the legislature appropriated $9,976,598 to the Department from the Fire Marshal Fund. Total principal and interest remaining on the bonds is $2,300,000 and $347,506, respectively. The principal and interest paid for the current year was $495,000 and $164,205.

Tobacco Settlement Revenues

Tobacco Settlement Financing Corporation, a special purpose public corporate entity and an instrumentality independent of the State, issued $1,202,770,000 of tobacco settlement asset-backed bonds in 2001. The revenue bonds were issued to finance the Corporation's purchase of the pledged tobacco settlement revenues (TSRs). The pledged TSRs consist of 60% of all amounts required to be paid to the State after the issuance of the Series 2001 Bonds. Participating cigarette manufacturers (PMs) entered into a Master Settlement Agreement (MSA) with 46 states and six other U.S. jurisdictions in 1998. The MSA requires the PMs to make certain initial, annual and strategic contribution payments to each entity included in the MSA. The Corporation's claim to pledged TSRs is on parity with the State's claim of the remaining 40% of all amounts payable to the State. The Bonds are secured by and payable from (i) the pledged TSRs and all investment earnings on the amounts on deposit in certain collection accounts, (ii) amounts held in a liquidity reserve account, and (iii) all amounts, if any, on deposit in other accounts established. The Corporation received pledged revenues of $88,112,026 for fiscal year 2010. The bonds, payable through 2039, have total principal and interest outstanding of $899,045,000 and $274,857,920, respectively. The principal and interest paid for the current year was $38,960,000 and $54,332,150.

Gasoline and Motor Fuels Taxes and Special Fuels Taxes

Louisiana State Bond Commission on behalf of the State issued gasoline and fuels tax revenue bonds in 2002, 2005, 2006, and 2009. In June 2010, the Commission issued Refunding Bond Series 2010A to refund the current Bond Series 2009A-2 in the amount of $103,125,000 (See Note 8, Section G). The total debt secured for gasoline and fuels tax revenue bonds amounts to $2,392,490,000. The bonds mature in 2032, 2035, 2041, and 2043, respectively. Bond proceeds are to be used for financing the construction of highway and bridge projects. The bonded debt is payable solely from and secured by a pledge of gasoline and fuel taxes, including investment income and securities on the gasoline and fuel taxes on deposit in the Transportation Trust Fund and all funds and accounts created under the bond resolutions. Revenues available in fiscal year 2010 for funding debt service due were $617,795,379. The total principal and interest remaining on the bonds is $2,351,840,000 and $2,786,393,806, respectively. Principal and interest paid for the current year was $5,880,000 and $100,787,543.

Business-Type Activities

Highway 1 Tolls

Louisiana Transportation Authority, a public corporation within the Department of Transportation and Development (DOTD), issued toll revenue bonds of $195,800,000 in 2005 to finance a highway project in the lower portion of Lafourche Parish. In August 2009, LTA issued Series 2005 TIFIA Bonds to refinance the Series 2005 Subordinate Lien BANS in the amount of $66,000,000. These bonds are payable solely from a second lien on the pledge of toll revenues. The project will create elevated highways that run parallel to Highway 1, with a bridge over Bayou Lafourche. The bonds are secured by a pledge of toll revenues on the southbound lane of the new highway from Leeville to Port Fourchon and are payable through 2040. The Authority has committed the toll revenues to cover the principal and interest requirements until the bonds are fully paid and discharged. Toll revenues collected in fiscal year 2010 totaled $2,853,353. The total principal and interest remaining on the bonds is $195,800,000 and $130,370,347, respectively. The interest paid for the current year was $4,192,551, with no principal payment due.

Component Units

Bridge Toll and Vehicular License Taxes

Greater New Orleans Expressway Commission (GNOEC) issued improvement bonds in 1999 and refunding (the 1992 series bonds), improvement bonds in 2003. In 2009, GNOEC issued revenue bonds refunding the 1999A series bonds. The total bonds issued of $77,505,000 were used to finance safety and capacity improvements to the North Toll Plaza parking area, and at westbound West Esplanade Avenue, and at Causeway Boulevard. The bonds are payable solely from a pledge of tolls and other revenues derived from the ownership or operation of the Expressway, as supplemented by funds dedicated from the collection of vehicular license taxes (Highway Fund No. 2). The Commission has committed the tolls and vehicular license taxes to cover the principal and interest requirements until the bonds are fully paid and discharged in 2034. In fiscal year ended October 31, 2009, the Commission recognized revenue of $22,253,790 from tolls and Highway No. 2 vehicular taxes. Total principal and interest remaining on the bonds at October 31, 2009, is $65,195,000 and $37,424,656, respectively. The principal and interest paid for that fiscal year was $1,955,000 and $2,784,887.

Syrup Mill and Slot Machine Revenues

Louisiana Agricultural Finance Authority issued revenue bonds in 2004 in the amount of $45,000,000 to acquire, construct and equip a syrup mill and other facilities related to the use of sugar cane in Lacassine, Louisiana. The bonds are secured by the pledge of net revenues from the operation of the mill and the avails of net slot machine proceeds as described in Louisiana Revised Statute 27:392(B)(4). The statute provides $12 million annually to the Authority to fund or secure revenue bonds for agricultural, agronomic, horticultural, etc. and other economic development programs. The Authority is obligated to cover the principal and interest requirements each year until the bonds are fully paid and discharged in 2015. Act 122 of 2009 provided $15,000,000 to retire bonds. The total principal and interest remaining on the bonds is $30,000,000 and $1,977,624, respectively. Principal and interest paid for the current year was $15,000,000 and $1,275,500, respectively.

Fertilizer, Feed, and Pesticide Fees

Louisiana Agricultural Finance Authority issued revenue bonds in 2006 in the amount of $9,608,438 to refund series 1998 bonds and acquire, construct and install facilities for the Department of Agriculture pursuant to a lease agreement. The bonds are secured and payable solely from and by a pledge of income and revenues from the sale of fertilizers, commercial feed and pesticides and are payable through 2013. The Department has committed to pay amounts sufficient to cover the principal and interest on the bonds for the duration of the debt. Total revenue reported by the Fertilizer Fund, the Feed Fund, and the Pesticide Fund for the current fiscal year is $6,976,166. The total principal and interest remaining on the bonds is $5,765,064 and $163,384. The principal and interest paid for the current year was $1,921,688 and $107,345, respectively.

Lease Agreement

Louisiana Agricultural Finance Authority issued revenue bonds of $37,000,000 in 2007 to (i) renovate an office building, (ii) purchase new trucks, bulldozers, and other equipment for firefighting and other agricultural purposes, (iii) acquire, construct, and equip buildings and related facilities, and (iv) acquire emergency generators for the Department of Agriculture and Forestry. The bonds are secured solely from income and revenues, and receipts derived or to be derived from payments made or collections obtained in a lease agreement and are payable through 2027. The lease requires the Department to pay from legally available funds, subject to annual appropriation by the Louisiana Legislature, annually, all the amounts necessary to pay the annual debt service and administrative expenses. The total principal and interest remaining on the bonds is $36,100,000 and $12,449,805. The principal and interest paid for the current year was $300,000 and $1,917,480.

Hotel Occupancy Tax

Louisiana Stadium and Exposition District issued revenue bonds for $294,325,000 in 2006 to refund all or a portion of prior debt, to pay operational expenses of the District, and to finance the cost of the new construction projects in or around New Orleans, such as the betterments at the Superdome, the baseball stadium, basketball facility, the

football training facility, and the multipurpose facility. The bonds are secured by a pledge of all revenues of the District that are not previously dedicated for another use; however, the hotel occupancy tax revenues in the parishes of Orleans and Jefferson are expected to be the primary source of funding. The District has committed all revenues, especially the hotel occupancy tax, to cover principal and interest requirements until the bonds are fully paid and discharged in 2037. Pledged revenues for fiscal year ended June 30, 2010, totals $100,502,977. Total principal and interest remaining on the bonds is $294,325,000 and $290,342,702, respectively. Interest paid for the current year was $20,747,730, with no principal payment due.

Commodities and Utilities

Sabine River Authority issued refunding bonds for $5,765,000 and taxable revenue bonds for $2,825,000 in 2003. The refunding bonds allowed the Authority to defease its Series 1999 bonds. The taxable revenue bonds were used to replace two hydroelectric generating units at Toledo Bend and to pay a portion of the cost of redeeming outstanding Series 1964 general obligation bonds. The bonds are secured by a pledge of (i) the net compensation, revenues, and receipts derived from all commodities sold and rendered by Sabine River Authority (except for revenues derived from the sale of water from the Sabine River Diversion Canal); (ii) all net revenues derived or to be derived from leases or operating agreements; and (iii) all net revenues derived from the sale of electric power and energy. The Authority has dedicated an amount sufficient for the payment of the bonds to cover the principal and interest requirements as they become due and payable until the bonds are fully paid and discharged in 2014. Revenues available for debt service coverage during the current fiscal year were approximately $12,000,000. The total principal and interest remaining on the bonds is $3,700,000 and $391,777, respectively. The principal and interest paid for the current year was $820,000 and $191,127, respectively.

NOTE 9: CONTINGENCIES

A. CLAIMS AND LIABILITIES HANDLED BY THE OFFICE OF RISK MANAGEMENT

Pursuant to Act 448 of the 1988 Regular Session of the Louisiana Legislature, R.S. 39:1533 was re-enacted to reactivate the "Self-Insurance Fund" within the Department of the Treasury. The Self-Insurance Fund consists of all premiums paid by State agencies under the State's risk management program, the investment earnings thereon, and commissions retained. The Self-Insurance Fund may only be used for the payment of losses incurred by state agencies under the self-insurance program together with insurance premiums, legal expenses, and administrative costs. The Office of Risk Management (ORM) is responsible for the State's risk management program and that office now has the duty to negotiate, compromise, and settle all claims, including all tort claims against the State or State agencies covered by the Self-Insurance Fund, and all tort claims against the State or State agencies not covered by the Self-Insurance Fund when funding is provided by the legislature through the State General Fund.

For fiscal year 2009-2010, the Self-Insurance Fund paid $202,253,986 to satisfy claims and judgments. At June 30, 2010, outstanding non-discounted reserve valuations of the open claims within the programs totaled $891,023,796. Because the Self-Insurance Fund is now in a deficit posture and is no longer a viable internal service fund, discounts are not applicable under GASB Statement No. 10. At June 30, 2010, ORM cash balances included $16,369,798 in the Self-Insurance Fund and $9,382,394 in the Future Medical Care Fund. ORM advises that the non-discounted liability reserve valuation for the claims in litigation against state agencies being handled by that office is valued at $230,947,914 at June 30, 2010.

B. CLAIMS AND LIABILITIES HANDLED OUTSIDE OF THE OFFICE OF RISK MANAGEMENT

The estimated probable future liability resulting from litigation, contract claims, and judgments against the State that is not being handled by the Office of Risk Management, not including contract claims reported by the Department of Transportation and Development ("DOTD"), is approximately $313,410,186 (accrued in the accompanying financial statements). In addition, as of June 30, 2010, there are claims against the State, not including contract claims reported by DOTD, totaling $285,026,621 for which it is reasonably possible that the State will incur liability.

In September of 1993, the Louisiana Supreme Court invalidated, on constitutional grounds, R.S. 13:5106, limiting the State's liability for general damages to a maximum of $500,000. In January of 1994, following the same reasoning, the Supreme Court invalidated R.S. 13:5112(C), limiting the State's liability for pre-judgment interest to 6%. Subsequently, the voters approved a constitutional amendment curing the defect found by the Supreme Court in the two cases. This amendment, along with the re-enactment of the two cited statutes, as well as several other statutes intended to protect the State in tort claims, became effective in November of 1995. The State's efforts to have the amendment and the legislation made applicable to then pending claims to limit recovery in

accordance with the statutes were unsuccessful. Consequently, any case pending in September of 1993 will have no upper limit on general damages, any case pending in January of 1994 will not be subject to 6% interest pre-judgment, and any claim arising as late as November 24, 1995 will not be limited by either statute. The financial impact of this court-imposed hiatus has been significant but is declining as cases are resolved. The State's Medical Malpractice Statute (R.S. 40:1299.39) was not impacted by the Supreme Court's decision vis a vis R.S. 13:5106.

In February of 2004, the Louisiana Supreme Court held that the parents who brought a wrongful death action against the State of Louisiana were each entitled to the statutory cap of $500,000 for wrongful death actions. Previously, it was the belief that the limit was $500,000 per death victim. This could impose an adverse impact upon the State's liability for tort compensation. In the 2005 Regular Legislative Session, the Legislature passed Senate Bill No. 258 which was signed by the Governor and enacted as Act No. 1 of the 2005 Regular Legislative Session in response to the Louisiana Supreme Court's erroneous interpretation of the statutory cap found under R.S. 13:5106 in Lockett v. the State of Louisiana, Department of Transportation and Development, 2003 – 1767 (La 2/25/04), 869 So.2d 87. The provisions of Act No. 1 are intended to explain the original intent of the legislature, notwithstanding the contrary interpretation by the Louisiana Supreme Court in Lockett, but shall be applied prospectively only from its effective date of May 27, 2005.

Act 3 of the First Extraordinary Session of the Legislature of 1996 amended Article 2323 of the Louisiana Civil Code to require trial quantification of the degree of liability of known non-parties, unknown persons not made a party, and statutorily immune parties such as the employer of a plaintiff suing a third party tortfeasor. The same act also amended Article 2324 of the Civil Code to provide that a negligent defendant would pay compensation calculated solely on the degree of his liability under comparative fault, regardless of the ability of co-defendants to pay their respective shares. The Louisiana Supreme Court declared that the provisions of Act 3 were remedial in nature and, therefore, retroactive in application to pending cases. This ruling will result in some reduction of the ultimate liability of the State in pending and future cases.

In June of 2001, the Louisiana Supreme Court, in the Pope decision, held that the administrative remedy procedure for inmates in the custody of the Department of Corrections was unconstitutional. Under the procedure, inmate complaints that reached the state court system did so as judicial review of agency decisions. Many of those complaints will now be lawsuits rather than administrative matters. The financial impact of this decision has been significant, both in the expense of defending these cases and in the potential judgments, but declined as cases were resolved.

In the First Extraordinary Session of 2002, the Legislature passed Act 89 to address the impact of the Supreme Court's inmate administrative remedy decision. The legislation was signed into law on April 19, 2002, and affects suits filed thereafter. The Act may significantly limit litigation costs and the tort exposure of the State in inmate claims going forward from enactment; however, it does not significantly limit the hundreds of suits filed before enactment. Again, the expense of defense and potential judgments is declining as cases are resolved. The Louisiana Supreme Court has held in Cheron v. LCS Corrections Services that exhaustion of inmate claims is not required during the time period from the Pope decision, in June of 2001, until the passage of Act 89 in April of 2002. The Constitutionality of Act 89 was upheld in the 1st and 2nd Circuit Courts of Appeal.

From the beginning of fiscal year 2002-2003 to the present, the State's self-insurance fund has not been available as a source of funds to settle tort claims involving road defect allegations nor to pay final judgments in such matters. As a result, settlements and judgments in such road hazard tort claims have been and will continue to be funded and paid only through individual legislative appropriation. Since fiscal year 2002 the sum appropriated for such matters totaled approximately $147,835,550. Of that amount, $19,552,289 was appropriated in fiscal year 2009-2010.

While not included in the dollar values set forth above, it should be noted that suits have been filed challenging the constitutionality of various provisions of state law, including the seizure of property, environmental cleanup, private railroad crossing, closure of state facilities, retirement and employment provisions, insurance claims, executory process and liability for termination of pregnancy. While these cases do not seek recovery for damages, rulings adverse to the state could result in liability for the plaintiffs' attorneys' fees.

As of June 30, 2010, the Department of Transportation and Development (DOTD) advises that there are 836 expropriation cases pending with a total estimated exposure of $134,071,238. As payment of its estimate of just compensation upon filing of these suits, DOTD deposited $50,325,292 into the registry of the court. A reasonable possibility exists that DOTD will incur expropriation-related costs of $83,745,946 in excess of the just compensation on deposit with the courts. As of June 30, 2010, there were 51 outstanding inverse condemnation suits with an estimated demand of $4,631,325. DOTD has determined that it is reasonably possible that the actual settlements will total approximately $1,157,831.

Expropriation suits filed by levee boards and other expropriating entities, other than DOTD, have not been included in the above liability of pending expropriation suits, because the State does not appropriate amounts for other expropriating entities. In addition to the amount reported as Fund Balance-Reserve for Construction in the Capital Outlay Escrow Fund, DOTD indicates that $807,037,998 in flood control and construction contracts is outstanding and unfunded at June 30, 2010. In addition, DOTD estimates that there are contract and miscellaneous suits totaling $1,035,000 for which it is reasonably possible that the State will incur liability.

As of June 30, 2010, the State is not aware of any pending suits concerning the ability of the State to issue bonds or other evidences of indebtedness.

The Department of Revenue (DOR) has advised that the total amount of pending litigation affecting the DOR's right to tax, where there is a probable likelihood that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2010, is $32,313,439 (accrued in the accompanying financial statements). The DOR has also advised that the total dollar amount of pending litigation affecting the DOR's right to tax, where it is reasonably possible that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2010, is $84,742,177. These estimates include a large number of refund claims that were filed as a result of the enactment of Act 6 of the First Extraordinary Session of the Louisiana Legislature of 2001. This legislation amended R.S. 47:1621 and expanded the conditions under which the DOR is now authorized to make tax refunds.

The Injured Worker Reemployment Program encourages employers to hire physically handicapped employees who have a permanent partial disability, by reimbursing the employer or, if insured, his or her insurance carrier for part of the workers' compensation costs for on-the-job injuries. The estimated total future payments to be made for claims outstanding at June 30, 2010, were $142,990,460, which is included in the accompanying financial statements. Funds to make these payments will come from an annual assessment made against all insurance companies writing workers' compensation insurance in the State and all employers that are self-insured.

Discrete Component Units

The future liability for disallowed costs, existing claims, and contracts against the discrete component units of the State is approximately $159,173,865, which is accrued in the accompanying financial statements. Also, as of June 30, 2010, there are existing claims and contracts totaling $34,473,023 against discrete component units of the State where there is a reasonable possibility that the entities will incur liability. These probable and reasonably possible liabilities include claims and contract cases against Louisiana Citizens Property Insurance Corporation - $130,921,180; Pontchartrain Levee District - $25,175,000; Southeast Louisiana Flood Protection Authority–East - $24,982,623; Louisiana Agricultural Finance Authority - $4,800,000; Greater Baton Rouge Port Commission - $2,500,000; Louisiana Housing Finance Agency - $1,000,000; and other component units - $4,268,085.

C. DISALLOWANCES

A significant amount of federal grant dollars is received by the State subject to financial and compliance audits mandated by the grantors. Questioned costs resulting from these audits may be disallowed by the Federal grantor and may become a liability of the State. Liabilities from disallowances and settlement agreements with the federal government are estimated to be $529,416,364 (accrued in the accompanying financial statements). In addition, as of June 30, 2010, there are disallowed costs of $26,146,132 for which it is reasonably possible that the State will incur liability.

D. LIABILITIES AS A RESULT OF ADMINISTRATIVE RESPONSIBILITY

The State is the recipient of food commodities from the federal government and is responsible for distribution to the agencies, institutions, etc., that will ultimately distribute the food. The value of surplus commodities on hand in State warehouses at June 30, 2010, is $2,307,182. At this time, the State anticipates no material losses because of this federal program.

E. UNDERGROUND STORAGE TANKS

The 765 Underground Storage Tanks (UST) sites are remediated under The Resource Conservation and Recovery Act (RCRA) Subtitle I and may be eligible for funding through the state's Motor Fuels Underground Storage Tank Trust Fund or the U.S. EPA's Leaking Underground Storage Tank (LUST) Trust Fund. The Underground Storage Tank Trust Fund is established by statute to collect fees from underground storage tank owners; fund assets are then used to finance remediation and/or removal of leaking storage tanks.

Additionally, as of July 1, 2001, a new state source of funding for LUST remediation is available to the Louisiana Department of Environmental Quality (DEQ) to address "orphan" LUST sites. DEQ has identified and prioritized 11 "orphan" sites among the 765 known leaking UST sites.

Act 1121 of the 2001 Regular Session directed that beginning July 1, 2001, all interest monies earned by the Motor Fuels Underground Storage Tank Trust Fund shall be used for the closure of abandoned motor fuel USTs and assessment and remediation of property contaminated by abandoned motor fuel USTs. Additionally, as of July 9,

2009, the EPA awarded $2.68 million to Louisiana under the American Recovery and Reinvestment Act of 2009 (ARRA) to assess and clean-up UST petroleum leaks. The EPA funding is to be used on "shovel ready" assessment and clean-up projects where the responsible party is unknown, unwilling or unable to finance the clean-up. This funding source will be used in conjunction with the interest monies to fund assessments and clean ups in the upcoming fiscal year.

Louisiana spent $10,807,528 assessing and remediating USTs in fiscal year ending June 30, 2010. The ending liability of $36,828,821 will be funded by the Motor Fuels Underground Storage Tank Trust Fund.

F. POLLUTION REMEDIATION OBLIGATIONS

Louisiana is involved in various types of pollution and contamination remediation activities across the state. These activities include site assessments, site investigations, clean-up activities, and post-remediation monitoring. Remediation costs are usually funded by the Capital Outlay Escrow Fund through the Office of Facility Planning and Control or through the Department of Environmental Quality, which may obtain federal grants and state General Fund appropriations for such projects.

The current value of a remediation obligation liability is based on assumptions or expectations about future events that affect the measurement of the liability under the expected cash flow technique. However, the expectations are subject to change over time due to changes in technology, changes in applicable federal, state, and local laws or regulations, price increases or decreases, or changes in the remediation plan. In addition, the state seeks insurance recovery or the identification of potentially responsible parties to recover remediation costs. These recoveries may reduce costs of remediation when the recovery becomes recognizable or probable. Under specific circumstances, costs of remediation may be capitalized as part of a capital asset.

During the fiscal year, Louisiana spent $11,841,345 for pollution and contamination remediation activities and recovered $6,058,668 from responsible parties. At June 30, 2010, the State had a pollution remediation obligation of $84,092,711. These amounts include expenditures, recoveries and ending liability for the BP oil spill discussed below.

The Louisiana Department of Transportation and Development (DOTD) has filed a lawsuit against ConocoPhillips Petroleum Inc. to either remediate hazardous waste or reimburse DOTD for all costs of remediating the contamination and redesigning planned construction, if necessary. ConocoPhillips released hazardous waste on its own property in Calcasieu Parish in 1987 and 1994. DOTD determined that the hazardous substance has migrated onto state property that is to be used for the reconstruction and expansion of Interstate-10. The costs of remediating the contamination cannot be estimated because the extent of the contamination has not yet been determined.

On April 20, 2010, the British Petroleum Exploration Inc. (BP) experienced a fire and explosion on their leased Oil Rig in the Gulf of Mexico which was being operated by Transocean Ltd. at the time of the incident. This explosion resulted in an unprecedented spill of oil into the Gulf of Mexico along the Louisiana coast. The State responded to protect its environment by adopting a series of measures that included assessment of the damage, environmental impact, immediate clean up and remediation of the polluted environment, estimation of long term impact on its people and the environment, the cost of the clean up, and determination of the expected recovery from BP. The State's remediation activities have included use of suction technology as well as building of coastal sand berms for removal of the oil spill. At June 30 2010, the state spent $5,878,025.00 on remediation activities and received reimbursements for those expenditures. The liability for future remediation of the pollution and the expected recovery cannot be reasonably estimated at this time. Although the full impact of the spill cannot be reasonably estimated, BP has taken responsibility for the cleanup of the spill, and the restoration of the State's environment.

G. COOPERATIVE ENDEAVORS

R.S. 33:9022 defines "cooperative endeavor" as any form of economic development assistance between and among the State, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The State has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the State. The estimated amounts outstanding for governmental units as of June 30, 2010, which are not reflected on the accompanying financial reports, are as follows:

• General funds	$1,284,830,345
• Self-Generated funds	251,476,459
• Statutorily Dedicated funds	486,507,903
• General Obligation Bonds	1,054,435,345
• Federal funds	2,806,194,884
• Interagency transfers	9,431,985
• Other funds	220,775,151
Total	$6,113,652,072

NOTE 10: FUND BALANCE/NET ASSETS DISCLOSURES

A. RESERVATIONS AND DESIGNATIONS OF FUND BALANCE

Reservations of fund balance are those amounts either legally restricted to a specific future use or not available for appropriation or expenditure. Designations of fund balance represent self-imposed limitations on the use of otherwise available expendable financial resources. The following table enumerates the fund balance reservations and designations (expressed in thousands).

	General Fund	Capital Outlay Escrow Fund	Louisiana Education Quality Trust Fund	Nonmajor Funds	Component Units
Reserved for:					
Debt service	$ --	$ --	$ --	$ 131,686	$ 151,680
Inventories	72,113	--	--	--	--
Encumbrances	121,314	--	--	97,785	--
Continuing projects	--	--	--	370,927	--
Construction	--	1,197,758	--	137,492	26,998
Trust principal	--	--	1,015,857	17,164	--
Other specific purposes	820,322	--	--	79,688	164,897
Nonexpendable	--	--	--	--	592,293
Expendable	--	--	--	--	795,784
Total Reservations of Fund Balances	$ 1,013,749	$ 1,197,758	$ 1,015,857	$ 834,742	$ 1,731,652
Designated for:					
Total Net Unrealized Gains on Fair Value of Investments	$ 152,118	$ 243	$ --	$ 51,801	

B. ENCUMBRANCES

Total encumbrances amounted to $358,276,081. Encumbrances relating to federal revenues not deferred totaling $135,387,025 are not reported on the face of the General Fund balance sheet. Encumbered interagency transfers of $2,258,814 and self-generated funds of $1,531,920 are also not included in the reserve for encumbrances on the General Fund balance sheet because monies were not available at fiscal year end to cover these encumbrances. Encumbrances of statutory dedications totaling $97,784,317 are reported in the appropriate fund types as reserve for encumbrances. The amount reserved for encumbrances on the General Fund balance sheet is $121,314,005.

C. NET ASSETS RESTRICTED BY ENABLING LEGISLATION

(expressed in thousands)

The government-wide statement of net assets reports $6,144,599 of restricted net assets for the primary government, of which $624,189 is restricted by enabling legislation.

D. NET ASSETS RESTATEMENT – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table discloses restatements of net assets for governmental activities in the government-wide financial statements (expressed in thousands):

	Governmental Activities
Net Assets at June 30, 2009	$ 18,521,706
Prior Period Adjustments	187,862
Beginning Net Assets as Restated	$ 18,709,568

E. FUND BALANCE/NET ASSETS RESTATEMENT – FUND FINANCIAL STATEMENTS

The following table discloses restatements of certain fund balances/net assets by fund type (expressed in thousands):

	General Fund	Major/Nonmajor Governmental Funds	Major/Nonmajor Enterprise Funds	Component Units
Fund Balances/Net Assets at June 30, 2009	$ 1,658,777	$ 8,955,399	$ 2,500,924	$ 3,045,455
Reclassification of Fund Types	--	(554,219)	(272,109)	1,374
Prior period adjustments	18,783	(25,406)	--	(140,436)
Beginning Fund Balances/Net Assets as Restated	$ 1,677,560	$ 8,375,774	$ 2,228,815	$ 2,906,393

F. ENTITY RECLASSIFICATIONS

For the year ended June 30, 2010, the Patient's Compensation Fund Oversight Board was reclassified from a special revenue fund to an enterprise fund which resulted in a decrease in beginning fund balance for non-major governmental funds of $(554,219) and a decrease in beginning net assets of $(272,309) for enterprise funds. The Addictive Disorder Regulatory Authority was reclassified from a governmental entity (agency) to a proprietary entity (board) which resulted in an increase of beginning net assets of $200 for enterprise funds. The Louisiana State Board of Cosmetology was reclassified from primary government to discrete component unit which resulted in an increase in beginning net assets of $1,374 for discrete component units.

G. PRIOR PERIOD ADJUSTMENTS

(expressed in thousands)

An adjustment in the General Fund increased beginning fund balance by $18,783. This adjustment is due to various entries including prior year off-system adjustments.

For major and non-major governmental funds, the adjustment to beginning fund balance is due to a decrease in beginning fund balance of $(18,146) for the Louisiana Education Quality Trust Fund and a decrease in beginning fund balance of $(7,260) for the State Highway Improvement Fund for various prior period adjustments. For discrete component units, the adjustment to beginning net assets is due to a decrease in beginning net assets of $(140,436) for Colleges and Universities, the Louisiana Citizens Property Insurance Corporation, the Louisiana Utilities Restoration Corporation, and the Louisiana Stadium and Exposition District for various prior period adjustments.

NOTE 11: OTHER DISCLOSURES

A. PATIENT'S COMPENSATION FUND OVERSIGHT BOARD

The Patient's Compensation Fund acts primarily as an agent to facilitate payment of medical malpractice claims by covering excess liability of private sector health care providers practicing in the State. The fund levies surcharges to private sector health care providers to pay settled claims and administrative expenses paid on behalf of health care providers during the prior year. Although RS 40:1299.44 indicates that the fund and any income from it are not public monies, the fund's financial transactions and long-term obligations of $773,400,000 are included in the accompanying financial statements in accordance with the provisions of GASB Codification Section 1100.108-112. The long-term obligations reported at June 30, 2010, are based on actuarial projections made as of December 31, 2009.

B. LOUISIANA HOUSING FINANCE AGENCY

The Louisiana Housing Finance Agency has single and multifamily mortgage revenue bonds outstanding of $958,000,000 which are not included in the accompanying financial statements. The obligations of the bond programs are not obligations of the State, and the State is not liable for such obligations. The ability of the programs to meet the debt service requirements on bonds issued to finance mortgage loans is dependent on the ability of the mortgagers in such programs to generate sufficient funds to meet their respective mortgage repayments.

C. OFFICE OF RISK MANAGEMENT

The Office of Risk Management purchases annuities to settle portions of certain claims. Third-party trustees then make payments to the claimants. Annuities totaling $36,999,765 have been purchased as of June 30, 2010. At

June 30, 2010, there were 98 active annuities valued at $203,774,626. Of the 98 annuities, 82 annuities release the State from further liability on the related claims. The remaining 16 annuities, valued at $41,907,485, do not contain the wording necessary to release the State from any possible future liability, although the probability of these becoming a liability is remote.

D. RECONCILIATION OF CLAIMS LIABILITY FOR STATE RISK PROGRAMS

In addition to risks related to the Office of Risk Management, the State is exposed to various risks of the self-insured and self-funded State Employees' Group Benefits Program, which provides health and life insurance benefits to active and retired employees. Beginning in 1989, the State stopped carrying commercial insurance because of the prohibitive cost and began covering all claim settlements and judgments with the resources of the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Total claims and judgments expenditures were $960,783,158. Changes in the reported liability since June 30, 2009, resulted from the following (expressed in thousands):

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Recoveries from Settled and Unsettled Claims	Balance at Fiscal Year End
2009-10	$949,177	$956,140	($950,740)	$180	$954,757
2008-09	$949,163	$921,252	($915,168)	($6,070)	$949,177

E. RELATED PARTY TRANSACTIONS

The State Board of Elementary and Secondary Education (SBESE) serves as the governing board for the Department of Education. The State Superintendent of Education is appointed by the SBESE and is responsible for the daily administration of the department and submits educational policy and funding issues and awards to the SBESE for implementation authority.

The SBESE consists of eleven members representing eight geographic regions of the State (SBESE districts). Eight members are elected by citizens in the representative SBESE districts and three members at large are appointed by the governor. Elected and appointed members serve a term of four years concurrent with the term of the governor.

The Department of Education presents funding awards and/or allocations to the Finance Committee of the SBESE for recommendation to the full board. A majority of the board constitutes department authority to award funds to sub-recipients.

The elected SBESE member for the fourth SBESE district is currently the Superintendent of DeSoto Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ended June 30, 2010, DeSoto Parish School Board received amounts totaling $32,287,168 in funding authorized by SBESE and released by the Department of Education.

Louisiana Educational Television Authority (LETA) leases space on their satellite to various universities and the monies are deposited into the Foundation for Excellence in Louisiana Public Broadcasting. At June 30, 2010, the net amount held by the Foundation for rentals is $7,485,015, which includes $2,697,607 of interest earnings.

In addition, the Foundation entered into a contract with the Louisiana Lottery Corporation to provide production and nightly distribution services for the various lottery games. All equipment used in providing these services was purchased by the Foundation on behalf of LETA and was recorded on LETA's fixed asset listing in the prior years. Accordingly, the cumulative net revenue included for the services amounted to $841,587 and is owed to LETA.

F. CONTINGENT RECEIVABLES AND PAYABLES FOR UNCOMPENSATED CARE COSTS

Section 13621 of the Omnibus Budget Reconciliation Act (OBRA) of 1993 amended Section 1923 of the Social Security Act to limit disproportionate share hospital (DSH) payments. For State fiscal years beginning after January 1, 1995, payments to all hospitals were limited to 100% of uncompensated costs. Uncompensated costs were defined as cost of services to Medicaid patients, less the amount paid by the State under the non-DSH payment provisions; plus cost of services to uninsured patients, less any cash payments made by them.

Estimates and draws for DSH costs requested from the Federal Health and Human Services Agency by LSUHSC-HCSD through the Louisiana Department of Health and Hospitals were, after audit adjustments, found to include unallowable expenditures of $362,053,628 in Federal Financial Participation (FFP). The original letter dated December 2, 2002, from the Centers for Medicare and Medicaid Services (CMS) requested the State establish accounts receivable for these overpayments and refund the FFP within 60 days of receipt of the letter. Because the State did not do this, CMS again requested in a September 15, 2009, letter that the State make an adjustment to reduce FFP expenditures by $362,053,628 on the next quarterly expenditure report (Form CMS-64), which would result in a reduction of federal funds owed to the State. The CMS letter dated September 15, 2009, further stated "The State has the opportunity to appeal to the Departmental Appeals Board."

The State has appealed the decision of the CMS based upon the advice of legal counsel. Effective June

30, 2010, an adjustment was made to the disallowed amount reducing the unallowable FFP expenditures to $300,512,746.

G. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANTS (HUD)

A class action lawsuit has been filed alleging discriminatory practices relating to HUD grants disbursed as part of the Road Home program. The Road Home program provided Louisiana residents affected by Hurricanes Katrina or Rita with various types of grants to either repair and return to their homes or sell their homes to the Road Home Corporation and relocate. Plaintiffs allege that the calculation for a specific type of program grant was discriminatory toward African-American homeowners in Orleans Parish and are seeking the recalculation of grants given to affected residents, and further relief as the court may deem just. The state and other named defendants have filed motions to dismiss. No estimation of liability, if any, can be made as of the date of these financial statements.

H. HURRICANE KATRINA-RELATED CLASS ACTION LAWSUIT

The State of Louisiana, the State Board of Elementary and Secondary Education, and the State Department of Education, along with the Orleans Parish School Board, are defendants in a class action lawsuit. Plaintiffs were employees of the Orleans Parish School Board in 2005 when Hurricane Katrina destroyed the area's economy and infrastructure, and dislocated residents. The Plaintiffs contend that they were wrongfully terminated after the hurricane and should be compensated for back pay (including related benefits), emotional distress, and judicial interest. No estimation of liability, if any, can be made as of the date of these financial statements.

I. ADOPTION OF NEW ACCOUNTING PRINCIPLES

For the year ended June 30, 2010, the State of Louisiana implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets;* GASB Statement No. 53, *Accounting and Financial Reporting for Derivative* Instruments*;* and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

NOTE 12: SUBSEQUENT EVENTS

A. BOND ISSUANCES

1. Gasoline and Fuels Tax Second Lien Revenue Bonds, Series 2010-B

On August 26, 2010, the State issued $394,310,000 in Gasoline and Fuels Tax Second Lien Revenue Bonds, Series 2010-B. These bonds are special and limited obligations of the State, payable solely from and secured by a second lien and security interest in pledged gasoline and fuels tax collections available after payment of all amounts due for the first lien bonds. Series 2010-B was issued to finance the remaining highway and bridge projects specified in La. R.S. 47:820.2(B)(2).

2. General Obligation Bonds Series 2010-A and General Obligation Refunding Bonds Series 2010-B

On October 13, 2010, the State issued $206,495,000 in General Obligation Bonds Series 2010-A and $91,510,000 in General Obligation Refunding Bonds Series 2010-B. Both Series were sold at a competitive sale and premiums of $36,394,154.20 and $16,602,409.60, respectively, were received.

Proceeds from Series 2010-A will be used to defease General Obligation Refunding Bonds, Series 2000-A, 2002-A, and 2003-A. Series 2010-B will be used to defease a portion of the General Obligation Refunding Bonds Series 2004-A.

3. Lease Revenue Refunding Bonds, Series 2010-A, for Office Facilities Corporation

On November 23, 2010, Office Facilities Corporation, a nonprofit corporation that is a blended component unit, issued $57,610,000 in lease revenue refunding bonds Series 2010-A. Proceeds from the bonds, together with other funds available to the Corporation, will be used to advance refund the Corporation's Lease Revenue Bonds Series 2001 outstanding balance of $63,780,000, which were used for the Louisiana State Capitol Complex Program, and to pay issuance costs.

Discrete Component Units

4. Revenue Bond Series 2010 for the Louisiana Community and Technical College System (LCTCS)

The LCTCS Facilities Corporation, a blended component unit of the LCTCS, issued revenue bonds on August 31, 2010, through the Louisiana Local Government Environmental Facilities and Community Development Authority. The revenue bonds were issued as Series 2010 for $64,025,000 on parity with the Series 2009 Bonds. Series 2010 was issued to finance Phase Two of the

capital improvements and enhancements to certain facilities and properties of colleges within LCTCS.

5. Louisiana Local Government Environmental Facilities and Community Development Authority System Restoration Bonds Series 2010 for the Louisiana Utilities Restoration Corporation (LURC)

In conjunction with the Louisiana Public Service Commission, and the LURC, the Louisiana Local Government Environmental Facilities and Community Development Authority issued $244,100,000 in System Restoration Bonds (Louisiana Utilities Restoration Corporation Project/EGSL) Series 2010 and $468,900,000 in System Restoration Bonds (Louisiana Utilities Restoration Corporation Project/ELL) Series 2010 on July 22, 2010. These issues are to finance non-shareholder capital contributions to Entergy Gulf States Louisiana, LLC (EGSL) and Entergy Louisiana, LLC (ELL); both EGSL and ELL are utility subsidiaries of Entergy Corporation.

B. CONSTITUTIONAL AMENDMENTS

Two amendments to the Louisiana Constitution of 1974 were proposed and voted on at a general statewide election held October 2, 2010. Both were passed. A summary of the two amendments follows:

- Moves the convening of regular sessions of the legislature in even-numbered years to noon on the second Monday in March. Moves the convening of regular sessions of the legislature in odd-numbered years to noon on the second Monday in April. Changes the effective date of all laws enacted during a regular session of the legislature to August first of the calendar year in which the regular session is held unless an earlier or later effective date is specified in the bill.
- Provides that the director, deputy director, and all employees of the Governor's Office of Homeland Security and Emergency Preparedness shall be in the unclassified service of the state civil service.

Ten additional proposed amendments to the Louisiana Constitution of 1974 were voted on at a general statewide election held November 2, 2010. The eight amendments that passed are summarized below:

- To provide that any salary increase enacted by law for certain state elected officials not be implemented until a subsequent term of office.
- To decrease the amount of taxes retained by the state on the severance of natural resources, other than sulphur, lignite, and timber, and to increase the maximum amount of such revenues which are remitted to the parish governing authority from where the severance occurs.
- To exempt from ad valorem tax, in addition to the homestead exemption, the next seventy-five thousand dollars of value of property which is owned and occupied by a veteran with a service-connected disability rating of one hundred percent and to authorize the exemption to apply to the surviving spouse of a deceased veteran, if the exemption was in effect on the property prior to the death of the veteran and the surviving spouse remains the owner of the property.
- To authorize continuation of the homestead exemption and the special assessment level for a homestead that has been destroyed or is uninhabitable due to a disaster for two years if the homeowner's claim for damages is pending in a formal appeal process with a governmental agency or against the insurer of the property.
- To require a two-thirds vote of the elected members of each house of the legislature to enact any benefit provision for members of a Louisiana public retirement system if the provision has an actuarial cost.
- Provides that property expropriated for the public purpose of removing a threat to public health or safety caused by the existing use or disuse of the property shall not be subject to the requirement of offering the property back to the original owner who allowed the property to become a threat to public health and safety or to the requirement of public sale.
- To provide that, in civil matters only, when a court of appeal is to modify or reverse an administrative agency determination in a worker's compensation claim and one judge dissents, the case shall be reargued before a panel of at least five judges prior to rendition of judgment, and a majority shall concur to render judgment.
- To permit criminal defendants, except in capital cases, to waive their right to a trial by jury no later than forty-five days prior to the trial date.

C. LOUISIANA RECOVERY SCHOOL DISTRICT SETTLEMENT

The Recovery School District (RSD) and the Orleans Parish School Board (OPSB) reached a settlement with the United States Federal Emergency Management Agency (FEMA) of approximately $1.8 billion for the value of nearly all of the districts' damages attributable to Hurricane Katrina. The funds will be used to repair, maintain and, in some cases, demolish public schools that sustained damage from Hurricane Katrina.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 14,774,645	$ 16,112,858	$ 11,491,429	$ (4,621,429)
USE OF MONEY AND PROPERTY	--	--	781	781
SALES OF COMMODITIES	833,772	830,673	815,567	(15,106)
OTHER	154,613	178,546	185,563	7,017
INTERAGENCY TRANSFERS	661,011	662,097	586,102	(75,995)
TOTAL REVENUES	16,424,041	17,784,174	13,079,442	(4,704,732)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	8,087,465	8,726,637	4,207,066	4,519,571
CULTURE, RECREATION, AND TOURISM	93,119	111,435	81,367	30,068
TRANSPORTATION AND DEVELOPMENT	540,681	565,744	496,718	69,026
PUBLIC SAFETY	364,533	420,448	351,261	69,187
HEALTH AND WELFARE	9,166,595	9,791,109	9,215,517	575,592
CORRECTIONS	654,888	683,174	670,764	12,410
YOUTH SERVICES	159,524	162,453	152,829	9,624
CONSERVATION	600,829	718,550	518,277	200,273
EDUCATION	8,592,287	8,877,673	8,286,918	590,755
OTHER	23,621	21,834	21,284	550
INTERGOVERNMENTAL	380,603	393,417	398,506	(5,089)
DEBT SERVICE	75,053	76,829	66,194	10,635
TOTAL EXPENDITURES	28,739,198	30,549,303	24,466,701	6,082,602
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,315,157)	(12,765,129)	(11,387,259)	1,377,870
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	11,601,581	11,292,351	12,308,931	1,016,580
TRANSFERS OUT	(856,371)	(860,071)	(1,512,245)	(652,174)
TOTAL OTHER FINANCING SOURCES	10,745,210	10,432,280	10,796,686	364,406
NET CHANGES IN FUND BALANCES	$ (1,569,947)	$ (2,332,849)	$ (590,573)	$ 1,742,276

The notes to required supplementary information are an integral part of this schedule.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY REPORTING

FOR THE YEAR ENDED JUNE 30, 2010

The Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2010, is presented below (expressed in thousands) for the General Fund.

Net Change in Fund Balances (GAAP)	$	(697,364)
Reconciling Adjustments:		
Basis Differences:		
To Adjust for Revenue Accruals and Deferrals		1,794,137
To Adjust for Expenditure Accruals		(1,678,818)
To Delete IAT Related Transfers In		2,078,340
To Delete IAT Expenditures		(2,086,868)
Net Change in Fund Balances (Budgetary Basis)	$	(590,573)

Generally, revenues and expenditures are budgeted using the modified accrual basis of accounting. The budget is prepared for each budget unit at the appropriated program level which is the lowest level at which appropriations are adopted. This level of control also applies to the special revenue funds.

The General Fund Budget and Actual Schedule is reported by agency in the *Supplementary Information to the Comprehensive Annual Financial Report* available on request from the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

OTHER POSTEMPLOYMENT BENEFITS PLANS

FOR THE YEAR ENDED JUNE 30, 2010

OGB Plan

The State's Other Postemployment Benefits (OPEB) Plan is administered by the Office of Group Benefits (OGB) as an agent multiple-employer defined benefit OPEB plan. It provides health and life insurance coverage to eligible members. The following tables present the actuarially determined funding progress and required contributions for the OGB OPEB Plan using the projected unit credit cost method.

Schedule of Funding Progress

(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2007	$0	$7,892,905	$7,892,905	0.00%	$1,463,356	539.37%
Primary Government	7/1/2008	$0	$9,317,980	$9,317,980	0.00%	$1,641,049	567.81%
Primary Government	7/1/2009	$0	$7,490,167	$7,490,167	0.00%	$1,830,427	409.20%
Component Units	7/1/2007	$0	$4,179,108	$4,179,108	0.00%	$1,264,524	330.49%
Component Units	7/1/2008	$0	$4,409,394	$4,409,394	0.00%	$1,452,549	303.56%
Component Units	7/1/2009	$0	$3,413,382	$3,413,382	0.00%	$1,491,615	228.84%

Schedule of Employer Contributions

(Expressed in Thousands)

	Fiscal Year Ended	Annual Required Contribution (ARC) (a)	Contributions (b)	Percentage Contributed (b/a)
Primary Government	6/30/2008	$737,730	$135,644	18.39%
Primary Government	6/30/2009	$764,448	$141,309	18.49%
Primary Government	6/30/2010	$576,478	$147,050	25.51%
Component Units	6/30/2008	$379,186	$63,892	16.85%
Component Units	6/30/2009	$376,648	$68,234	18.12%
Component Units	6/30/2010	$274,834	$69,427	25.26%

LSU Health Plan

The Louisiana State University (LSU) System (System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries healthcare coverage through the LSU Health Plan. It is a single-employer defined benefit plan. The following tables present the actuarially determined funding progress and required contributions for the LSU Health Plan using the projected unit credit cost method.

Schedule of Funding Progress

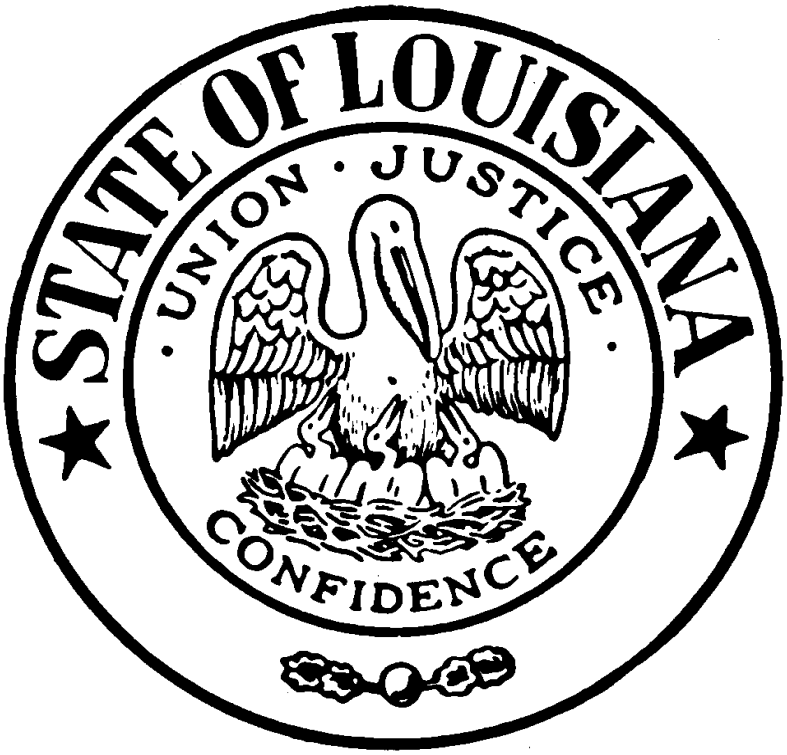
(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2008	$0	$16,685	$16,685	0.00%	$23,011	72.51%
Primary Government	7/1/2009	$0	$15,585	$15,585	0.00%	$23,197	67.19%
Component Units	7/1/2007	$0	$470,940	$470,940	0.00%	$552,044	85.31%
Component Units	7/1/2008	$0	$471,004	$471,004	0.00%	$612,660	76.88%
Component Units	7/1/2009	$0	$608,551	$608,551	0.00%	$629,381	96.69%

Schedule of Employer Contributions

(Expressed in Thousands)

	Fiscal Year Ended	Annual Required Contribution (ARC) (a)	Contributions (b)	Percentage Contributed (b/a)
Primary Government	6/30/2009	$3,626	$512	14.12%
Primary Government	6/30/2010	$2,067	$515	24.92%
Component Units	6/30/2008	$49,787	$10,141	20.37%
Component Units	6/30/2009	$55,291	$11,295	20.43%
Component Units	6/30/2010	$62,333	$12,599	20.21%


STATE OF LOUISIANA
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BUDGETARY COMPARISON SCHEDULE
MAJOR DEBT SERVICE FUND

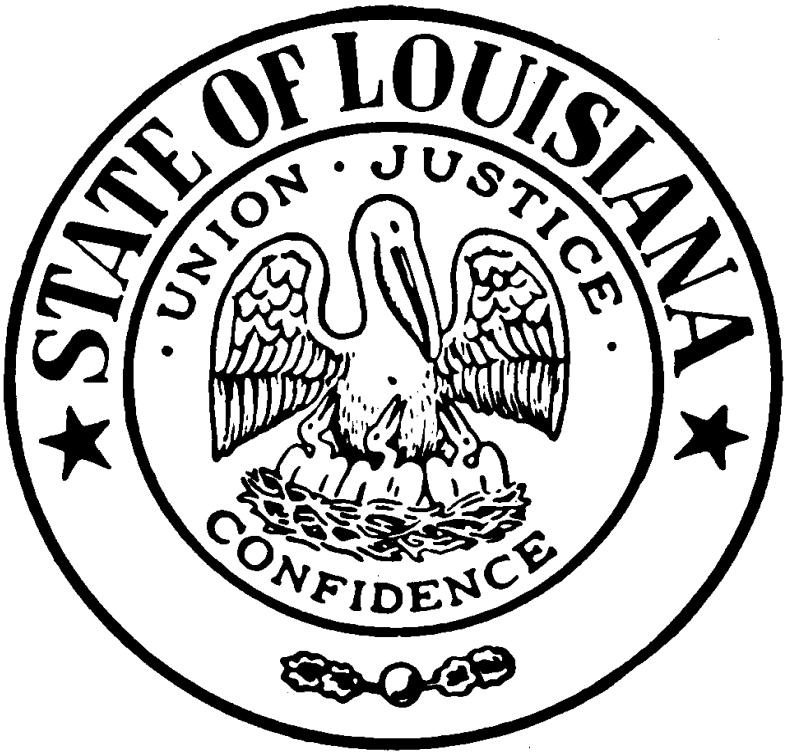
BUDGETARY COMPARISON SCHEDULE - BOND SECURITY AND REDEMPTION FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 8,899	$ 7,890	$ 17,501	$ 9,611
TAXES	7,853,900	7,024,760	6,792,398	(232,362)
GAMING	864,000	814,084	804,900	(9,184)
TOBACCO SETTLEMENT	81,500	63,400	58,729	(4,671)
USE OF MONEY AND PROPERTY	608,834	639,587	615,585	(24,002)
LICENSES, PERMITS, AND FEES	253,899	278,896	390,386	111,490
SALES OF COMMODITIES	41,793	50,242	72,323	22,081
OTHER	546,787	594,158	610,010	15,852
INTERAGENCY TRANSFERS	1,891,842	2,216,758	1,688,141	(528,617)
TOTAL REVENUES	12,151,454	11,689,775	11,049,973	(639,802)
EXPENDITURES:				
CURRENT:				
DEBT SERVICE	318,466	298,644	308,496	(9,852)
TOTAL EXPENDITURES	318,466	298,644	308,496	(9,852)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,832,988	11,391,131	10,741,477	(649,654)
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	--	--	9,399	9,399
TRANSFERS OUT	(11,832,988)	(11,391,131)	(10,750,876)	640,255
TOTAL OTHER FINANCING SOURCES AND (USES)	(11,832,988)	(11,391,131)	(10,741,477)	649,654
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --


STATE OF LOUISIANA
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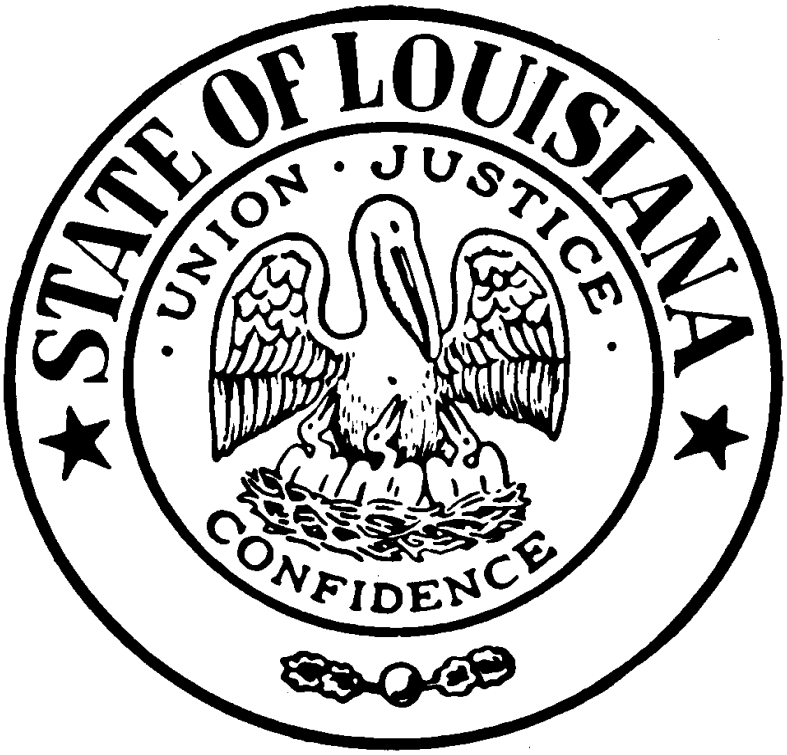
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULE – NONMAJOR FUNDS


STATE OF LOUISIANA
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COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	ADULT PROBATION AND PAROLE OFFICER RETIREMENT FUND	AGRICULTURAL COMMODITY COMMISSION SELF-INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 5,417	$ --	$ 1,803	$ 993	$ 371
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	95	732	--	--	84
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 5,512	$ 732	$ 1,803	$ 993	$ 455
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	561	57	--	193
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	561	57	--	193
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	5,512	171	1,746	993	262
TOTAL FUND BALANCES	5,512	171	1,746	993	262
TOTAL LIABILITIES AND FUND BALANCES	$ 5,512	$ 732	$ 1,803	$ 993	$ 455

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	ADULT PROBATION AND PAROLE OFFICER RETIREMENT FUND	AGRICULTURAL COMMODITY COMMISSION SELF-INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	46	852	1,746	56	1,454
TRANSFERS OUT	(4,931)	(709)	--	--	(1,439)
TOTAL OTHER FINANCING SOURCES (USES)	(4,885)	143	1,746	56	15
NET CHANGE IN FUND BALANCES	(4,885)	143	1,746	56	15
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	10,397	28	--	937	247
FUND BALANCES AT END OF YEAR	$ 5,512	$ 171	$ 1,746	$ 993	$ 262

(Continued)

SPECIAL REVENUE FUNDS

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION FUND	APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AUDUBON GOLF TRAIL DEVELOPMENT FUND	AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND
$ 11	$ --	$ 608	$ 26	$ 3,488	$ 19	$ 16	$ --
--	--	--	--	41,030	--	--	--
--	--	--	--	--	--	--	--
--	--	11	4	--	1	--	318
--	--	--	--	--	--	--	--
$ 11	$ --	$ 619	$ 30	$ 44,518	$ 20	$ 16	$ 318
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
7	--	169	--	18,225	1	1	318
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
7	--	169	--	18,225	1	1	318
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,024	--	--	--
4	--	450	30	25,269	19	15	--
4	--	450	30	26,293	19	15	--
$ 11	$ --	$ 619	$ 30	$ 44,518	$ 20	$ 16	$ 318

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION FUND	APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AUDUBON GOLF TRAIL DEVELOPMENT FUND	AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
100	1	436	30	10,379	18	27	1,257
(100)	(1)	(400)	(112)	(18,952)	(17)	(24)	(1,257)
--	--	36	(82)	(8,573)	1	3	--
--	--	36	(82)	(7,541)	1	3	--
4	--	414	112	33,834	18	12	--
$ 4	$ --	$ 450	$ 30	$ 26,293	$ 19	$ 15	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BEAUTIFICATION PROJECT FOR NEW ORLEANS NEIGHBORHOODS FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 18	$ 649	$ 305	$ 215	$ 1,329
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	12	135	--	1	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 30	$ 784	$ 305	$ 216	$ 1,329
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	29	779	--	11	47
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	29	779	--	11	47
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--		--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1	5	305	205	1,282
TOTAL FUND BALANCES	1	5	305	205	1,282
TOTAL LIABILITIES AND FUND BALANCES	$ 30	$ 784	$ 305	$ 216	$ 1,329

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BEAUTIFICATION PROJECT FOR NEW ORLEANS NEIGHBORHOODS FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	71	2,205	101	35	314
TRANSFERS OUT	(70)	(2,200)	--	(25)	(665)
TOTAL OTHER FINANCING SOURCES (USES)	1	5	101	10	(351)
NET CHANGE IN FUND BALANCES	1	5	101	10	(351)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	--	204	195	1,633
FUND BALANCES AT END OF YEAR	$ 1	$ 5	$ 305	$ 205	$ 1,282

(Continued)

SPECIAL REVENUE FUNDS

	BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL PROTECTION AND RESTORATION FUND	COASTAL RESOURCES TRUST FUND
	$ 883	$ 643,857	$ 3	$ 1,168	$ --	$ 1,380	$ 449,879	$ 338
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	1,066	--
	103	--	--	146	--	--	256,521	--
	--	--	--	--	--	--	--	--
	$ 986	$ 643,857	$ 3	$ 1,314	$ --	$ 1,380	$ 707,466	$ 338
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	655	--	--	758	--	--	257,303	56
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	655	--	--	758	--	--	257,303	56
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	1,954	--
	331	643,857	3	556	--	1,380	448,209	282
	331	643,857	3	556	--	1,380	450,163	282
	$ 986	$ 643,857	$ 3	$ 1,314	$ --	$ 1,380	$ 707,466	$ 338

	BOLL WEEVIL ERADICATION FUND	BUDGET STABLIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL PROTECTION AND RESTORATION FUND	COASTAL RESOURCES TRUST FUND
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	(6,757)	--	--	--	--	239	--
	--	--	--	--	--	--	--	--
	--	--	--	2	--	--	4,192	--
	--	(6,757)	--	2	--	--	4,431	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	126	--	--	--
	--	--	--	--	126	--	--	--
	--	(6,757)	--	2	(126)	--	4,431	--
	--	--	--	--	--	--	--	--
	1,575	86,177	3	926	1	381	386,246	769
	(1,440)	(296,039)	(1)	(1,456)	--	--	(479,193)	(634)
	135	(209,862)	2	(530)	1	381	(92,947)	135
	135	(216,619)	2	(528)	(125)	381	(88,516)	135
	196	860,476	1	1,084	125	999	538,679	147
	$ 331	$ 643,857	$ 3	$ 556	$ --	$ 1,380	$ 450,163	$ 282

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	COMMUNITY AND FAMILY SUPPORT SYSTEM FUND	COMMUNITY WATER ENRICHMENT FUND	COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 4,353	$ 7,321	$ 117	$ 449	$ 16,007
INVESTMENTS	--	--	--	--	
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	--	287	234	8,898
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 4,353	$ 7,321	$ 404	$ 683	$ 24,905
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	635	--	--	3
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	635	--	--	3
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	6,466	--	--	219
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	692
UNDESIGNATED	4,353	220	404	683	23,991
TOTAL FUND BALANCES	4,353	6,686	404	683	24,902
TOTAL LIABILITIES AND FUND BALANCES	$ 4,353	$ 7,321	$ 404	$ 683	$ 24,905

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	COMMUNITY AND FAMILY SUPPORT SYSTEM FUND	COMMUNITY WATER ENRICHMENT FUND	COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	489
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	489
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	489
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	4,353	47	2,528	1,247	51,696
TRANSFERS OUT	--	(2,993)	(2,222)	(1,418)	(61,843)
TOTAL OTHER FINANCING SOURCES (USES)	4,353	(2,946)	306	(171)	(10,147)
NET CHANGE IN FUND BALANCES	4,353	(2,946)	306	(171)	(9,658)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	9,632	98	854	34,560
FUND BALANCES AT END OF YEAR	$ 4,353	$ 6,686	$ 404	$ 683	$ 24,902

(Continued)

SPECIAL REVENUE FUNDS

	CRAB PROMOTION AND MARKETING ACCOUNT	CRIME VICTIMS REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEPARTMENT OF JUSTICE DEBT COLLECTION FUND	DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND	DEPARTMENT OF PUBLIC SAFETY PEACE OFFICERS FUND	DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO CONTROL OFFICERS FUND
	$ 145	$ 804	$ 6,341	$ 57	$ 755	$ 569	$ 259	$ 157
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	206	296	8	18	7	4	14
	--	--	--	--	--	--	--	--
	$ 145	$ 1,010	$ 6,637	$ 65	$ 773	$ 576	$ 263	$ 171
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	94	464	--	567	216	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	94	464	--	567	216	--	--
	--	--	--	--	--	--	--	--
	--	--	1,882	--	--	157	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	145	916	4,291	65	206	203	263	171
	145	916	6,173	65	206	360	263	171
	$ 145	$ 1,010	$ 6,637	$ 65	$ 773	$ 576	$ 263	$ 171

	CRAB PROMOTION AND MARKETING ACCOUNT	CRIME VICTIMS REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEPARTMENT OF JUSTICE DEBT COLLECTION FUND	DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND	DEPARTMENT OF PUBLIC SAFETY PEACE OFFICERS FUND	DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO CONTROL OFFICERS FUND
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	80
	--	--	--	--	--	--	--	80
	--	--	--	--	--	--	--	(80)
	--	--	--	--	--	--	--	--
	74	2,616	4,478	154	1,133	634	472	153
	(4)	(2,376)	(13,367)	(106)	(1,154)	(518)	(627)	--
	70	240	(8,889)	48	(21)	116	(155)	153
	70	240	(8,889)	48	(21)	116	(155)	73
	75	676	15,062	17	227	244	418	98
	$ 145	$ 916	$ 6,173	$ 65	$ 206	$ 360	$ 263	$ 171

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	DERELICT CRAB TRAP REMOVAL PROGRAM ACCOUNT	DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST-CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	EMERGENCY MEDICAL TECHNICIAN FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 141	$ 116	$ 77	$ 174	$ 50
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	11	--	13	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 141	$ 127	$ 77	$ 187	$ 50
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	--	79	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	79	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	141	127	77	108	50
TOTAL FUND BALANCES	141	127	77	108	50
TOTAL LIABILITIES AND FUND BALANCES	$ 141	$ 127	$ 77	$ 187	$ 50

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	DERELICT CRAB TRAP REMOVAL PROGRAM ACCOUNT	DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST-CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	EMERGENCY MEDICAL TECHNICIAN FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	46	206	29	160	8
TRANSFERS OUT	(11)	(171)	--	(349)	(2)
TOTAL OTHER FINANCING SOURCES (USES)	35	35	29	(189)	6
NET CHANGE IN FUND BALANCES	35	35	29	(189)	6
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	106	92	48	297	44
FUND BALANCES AT END OF YEAR	$ 141	$ 127	$ 77	$ 108	$ 50

(Continued)

SPECIAL REVENUE FUNDS

EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENTERTAINMENT PROMOTION AND MARKETING FUND	ENVIRONMENTAL TRUST FUND	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEED COMMISSION FUND
$ 5,030	$ 196	$ 293	$ 9,694	$ --	$ 632	$ 18,689	$ 658
--	--	--	--	--	--	--	--
22	--	--	10	--	--	--	248
660	--	--	4,128	--	9	--	38
--	--	--	--	--	--	--	--
$ 5,712	$ 196	$ 293	$ 13,832	$ --	$ 641	$ 18,689	$ 944
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 38
77	--	5	--	--	--	37	38
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
77	--	5	--	--	--	37	76
--	--	--	--	--	--	--	868
--	--	35	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	102	--	--	94	--
5,635	196	253	13,730	--	641	18,558	--
5,635	196	288	13,832	--	641	18,652	868
$ 5,712	$ 196	$ 293	$ 13,832	$ --	$ 641	$ 18,689	$ 944

EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENTERTAINMENT PROMOTION AND MARKETING FUND	ENVIRONMENTAL TRUST FUND	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEED COMMISSION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
4,120	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
14	--	--	13	--	--	(83)	2
--	--	--	--	--	--	--	887
--	--	--	47	--	--	150	--
4,134	--	--	60	--	--	67	889
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	750	--	--	364
--	--	--	--	750	--	--	364
4,134	--	--	60	(750)	--	67	525
--	--	--	--	--	--	--	--
--	1	278	55,862	750	727	--	162
(690)	--	(209)	(64,242)	--	(221)	(2,022)	(162)
(690)	1	69	(8,380)	750	506	(2,022)	--
3,444	1	69	(8,320)	--	506	(1,955)	525
2,191	195	219	22,152	--	135	20,607	343
$ 5,635	$ 196	$ 288	$ 13,832	$ --	$ 641	$ 18,652	$ 868

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	FEMA REIMBURSEMENT FUND	FERTILIZER FUND	FIRE INSURANCE FUND	FISH AND WILDLIFE VIOLATIONS REWARD FUND	FISHERMEN'S GEAR COMPENSATION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 24,920	$ 248	$ 14,885	$ --	$ 121
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	354	--	--	--
DUE FROM OTHER FUNDS	--	230	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 24,920	$ 832	$ 14,885	$ --	$ 121
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ 231	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	230	14,237	--	40
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	461	14,237	--	40
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	371	--	--	--
ENCUMBRANCES	15,287	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	110	--	--	--	--
UNDESIGNATED	9,523	--	648	--	81
TOTAL FUND BALANCES	24,920	371	648	--	81
TOTAL LIABILITIES AND FUND BALANCES	$ 24,920	$ 832	$ 14,885	$ --	$ 121

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	FEMA REIMBURSEMENT FUND	FERTILIZER FUND	FIRE INSURANCE FUND	FISH AND WILDLIFE VIOLATIONS REWARD FUND	FISHERMEN'S GEAR COMPENSATION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	14	1	--	--	--
LICENSES, PERMITS, AND FEES	--	352	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	14	353	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	641	2,710	--	--
TOTAL EXPENDITURES	--	641	2,710	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14	(288)	(2,710)	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	1,843	230	20,511	--	263
TRANSFERS OUT	--	(230)	(17,277)	(1)	(987)
TOTAL OTHER FINANCING SOURCES (USES)	1,843	--	3,234	(1)	(724)
NET CHANGE IN FUND BALANCES	1,857	(288)	524	(1)	(724)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	23,063	659	124	1	805
FUND BALANCES AT END OF YEAR	$ 24,920	$ 371	$ 648	$ --	$ 81

(Continued)

SPECIAL REVENUE FUNDS

FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND	FRAUD DETECTION FUND	FRIENDS OF NORD FUND	GRAIN AND COTTON INDEMNITY FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	GREATER NEW ORLEANS SPORTS FOUNDATION FUND
$ 5	$ 673	$ 37	$ 556	$ 305	$ 248	$ 62	$ 9
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1	511	--	242	--	18	--	--
--	--	--	--	--	--	--	--
$ 6	$ 1,184	$ 37	$ 798	$ 305	$ 266	$ 62	$ 9
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
6	120	--	31	--	--	4	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
6	120	--	31	--	--	4	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,064	37	767	305	266	58	9
--	1,064	37	767	305	266	58	9
$ 6	$ 1,184	$ 37	$ 798	$ 305	$ 266	$ 62	$ 9

FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND	FRAUD DETECTION FUND	FRIENDS OF NORD FUND	GRAIN AND COTTON INDEMNITY FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	GREATER NEW ORLEANS SPORTS FOUNDATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	39	--	--	--	--
--	--	--	39	--	--	--	--
--	--	--	(39)	--	--	--	--
--	--	--	--	--	--	--	--
814	2,212	--	369	101	422	4	1,003
(814)	(1,753)	--	(466)	--	(412)	--	(1,393)
--	459	--	(97)	101	10	4	(390)
--	459	--	(136)	101	10	4	(390)
--	605	37	903	204	256	54	399
$ --	$ 1,064	$ 37	$ 767	$ 305	$ 266	$ 58	$ 9

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH CARE REDESIGN FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 82	$ 5,863	$ 5,776	$ 4	$ 7,210
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	26	--	--	16
DUE FROM OTHER FUNDS	7	668	4,000	867	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 89	$ 6,557	$ 9,776	$ 871	$ 7,226
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	622	--	--	44
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	622	--	--	44
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	291	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	89	5,644	9,776	871	7,182
TOTAL FUND BALANCES	89	5,935	9,776	871	7,182
TOTAL LIABILITIES AND FUND BALANCES	$ 89	$ 6,557	$ 9,776	$ 871	$ 7,226

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH CARE REDESIGN FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ 41
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	48
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	52	--	--	--
TOTAL REVENUES	--	52	--	--	89
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	52	--	--	89
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	345	5,140	4,055	6,793	--
TRANSFERS OUT	(1,119)	(5,257)	(4,742)	(5,924)	(2,750)
TOTAL OTHER FINANCING SOURCES (USES)	(774)	(117)	(687)	869	(2,750)
NET CHANGE IN FUND BALANCES	(774)	(65)	(687)	869	(2,661)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	863	6,000	10,463	2	9,843
FUND BALANCES AT END OF YEAR	$ 89	$ 5,935	$ 9,776	$ 871	$ 7,182

(Continued)

SPECIAL REVENUE FUNDS

	HIGHER EDUCATION INITIATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INCUMBENT WORKER TRAINING ACCOUNT	INDUSTRIALIZED BUILDING PROGRAM FUND	INSURANCE FRAUD INVESTIGATION FUND	INSURE LOUISIANA INCENTIVE PROGRAM FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND
	$ 812	$ 148	$ 100	$ 33,092	$ 72	$ 149	$ --	$ 14
	--	--	--	--	--	--	--	--
	--	--	--	126	--	--	--	--
	--	6	--	3,272	9	--	--	--
	--	--	--	--	--	--	--	--
	$ 812	$ 154	$ 100	$ 36,490	$ 81	$ 149	$ --	$ 14
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	124	100	3,560	79	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	124	100	3,560	79	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	85	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	145	--	--	--	--
	812	30	--	32,785	2	64	--	14
	812	30	--	32,930	2	149	--	14
	$ 812	$ 154	$ 100	$ 36,490	$ 81	$ 149	$ --	$ 14

	HIGHER EDUCATION INITIATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INCUMBENT WORKER TRAINING ACCOUNT	INDUSTRIALIZED BUILDING PROGRAM FUND	INSURANCE FRAUD INVESTIGATION FUND	INSURE LOUISIANA INCENTIVE PROGRAM FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	--	--	24,220	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	(150)	--	--	(808)	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	24,070	--	--	(808)	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	6,611	--	--	--	--	--	--	--
	6,611	--	--	--	--	--	--	--
	(6,611)	--	--	24,070	--	--	(808)	--
	--	--	--	--	--	--	--	--
	62	833	3,984	--	81	3,678	--	5,006
	--	(803)	(4,000)	(23,440)	(79)	(3,608)	(75,587)	(5,005)
	62	30	(16)	(23,440)	2	70	(75,587)	1
	(6,549)	30	(16)	630	2	70	(76,395)	1
	7,361	--	16	32,300	--	79	76,395	13
	$ 812	$ 30	$ --	$ 32,930	$ 2	$ 149	$ --	$ 14

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT	LEAD HAZARD REDUCTION FUND	LEGISLATIVE CAPITOL TECHNOLOGY ENHANCEMENT FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 4	$ 4,370	$ 111	$ 17,898	$ 509
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	24	--	--	--
DUE FROM OTHER FUNDS	--	2,095	--	--	5
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 4	$ 6,489	$ 111	$ 17,898	$ 514
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ 4,308	$ --
DUE TO OTHER FUNDS	4	358	111	--	264
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	4	358	111	4,308	264
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--		--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	6,131	--	13,590	250
TOTAL FUND BALANCES	--	6,131	--	13,590	250
TOTAL LIABILITIES AND FUND BALANCES	$ 4	$ 6,489	$ 111	$ 17,898	$ 514

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT	LEAD HAZARD REDUCTION FUND	LEGISLATIVE CAPITOL TECHNOLOGY ENHANCEMENT FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	3,887	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	52	--	--	--
LICENSES, PERMITS, AND FEES	--	109	--	--	--
OTHER	--	15	--	--	--
TOTAL REVENUES	--	4,063	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	6,650	--
TOTAL EXPENDITURES	--	--	--	6,650	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	4,063	--	(6,650)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	3	--	103	10,088	783
TRANSFERS OUT	(5)	(2,544)	(182)	--	(783)
TOTAL OTHER FINANCING SOURCES (USES)	(2)	(2,544)	(79)	10,088	--
NET CHANGE IN FUND BALANCES	(2)	1,519	(79)	3,438	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	2	4,612	79	10,152	250
FUND BALANCES AT END OF YEAR	$ --	$ 6,131	$ --	$ 13,590	$ 250

(Continued)

SPECIAL REVENUE FUNDS

LIVESTOCK BRAND COMMISSION FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA ANIMAL WELFARE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
$ 47	$ 70,206	$ 1,507	$ 1,719	$ 66	$ 549	$ 3,660	$ 21,657
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	12,815	--	19	--	--	1	2,007
--	--	--	--	--	--	--	--
$ 47	$ 83,021	$ 1,507	$ 1,738	$ 66	$ 549	$ 3,661	$ 23,664
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	1,472	64	--	--	--	473
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	1,472	64	--	--	--	473
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	6,409
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	354	--	--	--	--	--	141
47	82,667	35	1,674	66	549	3,661	16,641
47	83,021	35	1,674	66	549	3,661	23,191
$ 47	$ 83,021	$ 1,507	$ 1,738	$ 66	$ 549	$ 3,661	$ 23,664

LIVESTOCK BRAND COMMISSION FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA ANIMAL WELFARE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	43	--	--	--	--	--	17
--	--	--	--	--	--	--	--
--	--	--	--	19	--	--	348
--	43	--	--	19	--	--	365
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	43	--	--	19	--	--	365
--	--	--	--	--	--	--	--
23	133,543	12,012	1,567	--	3	418	11,816
(10)	(127,574)	(12,000)	(1,495)	--	(1)	(144)	(23,917)
13	5,969	12	72	--	2	274	(12,101)
13	6,012	12	72	19	2	274	(11,736)
34	77,009	23	1,602	47	547	3,387	34,927
$ 47	$ 83,021	$ 35	$ 1,674	$ 66	$ 549	$ 3,661	$ 23,191

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 537	$ 7	$ 6,681	$ 540	$ --
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	16	333	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 553	$ 340	$ 6,681	$ 540	$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	286	340	289	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	286	340	289	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	267	--	6,392	540	--
TOTAL FUND BALANCES	267	--	6,392	540	--
TOTAL LIABILITIES AND FUND BALANCES	$ 553	$ 340	$ 6,681	$ 540	$ --

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	979	13,226	14,712	34	21
TRANSFERS OUT	(1,132)	(13,226)	(14,380)	(8)	(282)
TOTAL OTHER FINANCING SOURCES (USES)	(153)	--	332	26	(261)
NET CHANGE IN FUND BALANCES	(153)	--	332	26	(261)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	420	--	6,060	514	261
FUND BALANCES AT END OF YEAR	$ 267	$ --	$ 6,392	$ 540	$ --

(Continued)

SPECIAL REVENUE FUNDS

LOUISIANA HIGHWAY SAFETY COMMISSION FUND	LOUISIANA INDIGENT PARENT REPRESENTATION PROGRAM FUND	LOUISIANA INTEROPERABILITY COMMUNICATIONS FUND	LOUISIANA LIFE SAFETY AND PROPERTY PROTECTION TRUST FUND	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA MEGA-PROJECT DEVELOPMENT FUND	LOUISIANA MILITARY FAMILY ASSISTANCE FUND
$ 2	$ 148	$ 4,035	$ 98	$ 171	$ 288,567	$ 263,392	$ 436
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	23
--	--	--	132	113	23,542	--	2
--	--	--	--	--	--	--	--
$ 2	$ 148	$ 4,035	$ 230	$ 284	$ 312,109	$ 263,392	$ 461
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	25	2,350	--	--	--	11,357	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	25	2,350	--	--	--	11,357	--
--	--	--	--	--	--	--	--
--	--	1,458	--	--	19,194	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	1,725	1,538	--
2	123	227	230	284	291,190	250,497	461
2	123	1,685	230	284	312,109	252,035	461
$ 2	$ 148	$ 4,035	$ 230	$ 284	$ 312,109	$ 263,392	$ 461

LOUISIANA HIGHWAY SAFETY COMMISSION FUND	LOUISIANA INDIGENT PARENT REPRESENTATION PROGRAM FUND	LOUISIANA INTEROPERABILITY COMMUNICATIONS FUND	LOUISIANA LIFE SAFETY AND PROPERTY PROTECTION TRUST FUND	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA MEGA-PROJECT DEVELOPMENT FUND	LOUISIANA MILITARY FAMILY ASSISTANCE FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	(313)	--	--	211	(977)	--
--	--	--	--	--	--	--	--
--	--	--	--	2	--	--	181
--	--	(313)	--	2	211	(977)	181
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	(313)	--	2	211	(977)	181
--	--	--	--	--	--	--	--
2	715	9,426	714	375	110,423	--	4
--	(712)	(10,399)	(913)	(535)	(216,202)	(86,588)	(816)
2	3	(973)	(199)	(160)	(105,779)	(86,588)	(812)
2	3	(1,286)	(199)	(158)	(105,568)	(87,565)	(631)
--	120	2,971	429	442	417,677	339,600	1,092
$ 2	$ 123	$ 1,685	$ 230	$ 284	$ 312,109	$ 252,035	$ 461

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	LOUISIANA PUBLIC DEFENDER FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 67	$ 7,930	$ 1,237	$ 2	$ --
INVESTMENTS	--	47,269	--	--	--
RECEIVABLES (NET)	--	8	--	--	--
DUE FROM OTHER FUNDS	77	1,663	1,808	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 144	$ 56,870	$ 3,045	$ 2	$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	31,313	142	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	13,536	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	44,849	142	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	50	--	--	--	
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	94	12,021	2,903	2	--
TOTAL FUND BALANCES	144	12,021	2,903	2	--
TOTAL LIABILITIES AND FUND BALANCES	$ 144	$ 56,870	$ 3,045	$ 2	$ --

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	LOUISIANA PUBLIC DEFENDER FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	82,730	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	664	--	2	--
TOTAL REVENUES	--	83,394	--	2	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	29,118	--	--	--
TOTAL EXPENDITURES	--	29,118	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	54,276	--	2	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	27,428	51,720	7,286	15,600	1
TRANSFERS OUT	(28,608)	(38,596)	(10,073)	(15,600)	(1)
TOTAL OTHER FINANCING SOURCES (USES)	(1,180)	13,124	(2,787)	--	--
NET CHANGE IN FUND BALANCES	(1,180)	67,400	(2,787)	2	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,324	(55,379)	5,690	--	--
FUND BALANCES AT END OF YEAR	$ 144	$ 12,021	$ 2,903	$ 2	$ --

(Continued)

SPECIAL REVENUE FUNDS

	LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA WILD TURKEY STAMP FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAID TRUST FUND FOR THE ELDERLY	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL AND ENERGY OPERATION FUND
	$ 3,495	$ 42	$ 609	$ 340	$ 281	$ 81,827	$ 7,095	$ 12,973
	--	--	--	--	--	634,729	--	--
	1,859	--	--	--	42	--	--	--
	14,732	49	--	--	--	2,600	103	450
	--	--	--	--	--	--	--	--
	$ 20,086	$ 91	$ 609	$ 340	$ 323	$ 719,156	$ 7,198	$ 13,423
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	12,655	91	10	241	323	883	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	12,655	91	10	241	323	883	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	4,663	--	--
	7,431	--	599	99	--	713,610	7,198	13,423
	7,431	--	599	99	--	718,273	7,198	13,423
	$ 20,086	$ 91	$ 609	$ 340	$ 323	$ 719,156	$ 7,198	$ 13,423

	LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA WILD TURKEY STAMP FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAID TRUST FUND FOR THE ELDERLY	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL AND ENERGY OPERATION FUND
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	21,158	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	4	--	--	--	314	38,999	--	--
	--	--	--	--	--	--	--	--
	9	--	--	--	--	--	--	--
	21,171	--	--	--	314	38,999	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	21,171	--	--	--	314	38,999	--	--
	--	--	--	--	--	--	--	--
	14,729	351	65	2,000	464	28,937	7,898	13,139
	(34,637)	(351)	(28)	(2,631)	(778)	(116,855)	(700)	(13,676)
	(19,908)	--	37	(631)	(314)	(87,918)	7,198	(537)
	1,263	--	37	(631)	--	(48,919)	7,198	(537)
	6,168	--	562	730	--	767,192	--	13,960
	$ 7,431	$ --	$ 599	$ 99	$ --	$ 718,273	$ 7,198	$ 13,423

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARENESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 86	$ --	$ 50,049	$ 64	$ --
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	80	495	3	114
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 86	$ 80	$ 50,544	$ 67	$ 114
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	59	2,983	67	114
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	59	2,983	67	114
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	212	--	--
UNDESIGNATED	86	21	47,349	--	--
TOTAL FUND BALANCES	86	21	47,561	--	--
TOTAL LIABILITIES AND FUND BALANCES	$ 86	$ 80	$ 50,544	$ 67	$ 114

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARENESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	25	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	25	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	25	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	--	266	22,463	208	1,894
TRANSFERS OUT	--	(731)	(17,070)	(208)	(1,894)
TOTAL OTHER FINANCING SOURCES (USES)	--	(465)	5,393	--	--
NET CHANGE IN FUND BALANCES	--	(465)	5,418	--	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	86	486	42,143	--	--
FUND BALANCES AT END OF YEAR	$ 86	$ 21	$ 47,561	$ --	$ --

(Continued)

SPECIAL REVENUE FUNDS

	NATURAL HERITAGE ACCOUNT	NATURAL RESOURCE RESTORATION TRUST FUND	NEW OPPORTUNITIES WAIVER FUND	NEW ORLEANS SPORTS FRANCHISE ASSISTANCE FUND	NEW ORLEANS URBAN TOURISM AND HOSPITALITY TRAINING IN ECONOMIC DEVELOPMENT FOUNDATION FUND	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
	$ 446	$ 10,018	$ 42,399	$ 1,496	$ 306	$ 4,379	$ 822	$ 2,621
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	249	326	--	--	223	41
	--	--	--	--	--	--	--	--
	$ 446	$ 10,018	$ 42,648	$ 1,822	$ 306	$ 4,379	$ 1,045	$ 2,662
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	--	6,160	--	--	--	774	110
	--	--	--	1,550	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	6,160	1,550	--	--	774	110
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	10,000	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	238	--	--	--	--	--
	446	18	36,250	272	306	4,379	271	2,552
	446	10,018	36,488	272	306	4,379	271	2,552
	$ 446	$ 10,018	$ 42,648	$ 1,822	$ 306	$ 4,379	$ 1,045	$ 2,662

	NATURAL HERITAGE ACCOUNT	NATURAL RESOURCE RESTORATION TRUST FUND	NEW OPPORTUNITIES WAIVER FUND	NEW ORLEANS SPORTS FRANCHISE ASSISTANCE FUND	NEW ORLEANS URBAN TOURISM AND HOSPITALITY TRAINING IN ECONOMIC DEVELOPMENT FOUNDATION FUND	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	12	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	10,000	--	--	--	--	--	--
	--	10,000	12	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	4,550	--	--	--	--
	--	--	--	4,550	--	--	--	--
	--	10,000	12	(4,550)	--	--	--	--
	--	--	--	--	--	--	--	--
	15	--	--	3,280	101	716	6,469	12,438
	(34)	--	(14,630)	--	--	(144)	(9,721)	(12,862)
	(19)	--	(14,630)	3,280	101	572	(3,252)	(424)
	(19)	10,000	(14,618)	(1,270)	101	572	(3,252)	(424)
	465	18	51,106	1,542	205	3,807	3,523	2,976
	$ 446	$ 10,018	$ 36,488	$ 272	$ 306	$ 4,379	$ 271	$ 2,552

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OVERCOLLECTIONS FUND	OYSTER DEVELOPMENT ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	$ 1,573	$ 77,894	$ 8,366	$ 86,307	$ 69
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	272	4,082	20	278,500	--
DUE FROM FEDERAL GOVERNMENT	--	1,940	--	--	--
TOTAL ASSETS	$ 1,845	$ 83,916	$ 8,386	$ 364,807	$ 69
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	439	39,056	7
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	60,000	--	--	--
TOTAL LIABILITIES	--	60,000	439	39,056	7
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	18,572	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,845	23,916	7,947	307,179	62
TOTAL FUND BALANCES	1,845	23,916	7,947	325,751	62
TOTAL LIABILITIES AND FUND BALANCES	$ 1,845	$ 83,916	$ 8,386	$ 364,807	$ 69

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OVERCOLLECTIONS FUND	OYSTER DEVELOPMENT ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ 5,878	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	25,000	--	66	--
TOTAL REVENUES	--	30,878	--	66	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	3,659	--
TOTAL EXPENDITURES	--	--	--	3,659	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	30,878	--	(3,593)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	10,032	194	--	295,448	164
TRANSFERS OUT	(9,677)	(12,896)	(13,726)	(133,963)	(144)
TOTAL OTHER FINANCING SOURCES (USES)	355	(12,702)	(13,726)	161,485	20
NET CHANGE IN FUND BALANCES	355	18,176	(13,726)	157,892	20
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,490	5,740	21,673	167,859	42
FUND BALANCES AT END OF YEAR	$ 1,845	$ 23,916	$ 7,947	$ 325,751	$ 62

(Continued)

SPECIAL REVENUE FUNDS

OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUNDS	PARISH ROYALTY FUND	PESTICIDE FUND	PET OVERPOPULATION FUND	PETROLEUM PRODUCTS FUND
$ 280	$ 454	$ 4,108	$ 19,695	$ 15,222	$ 2,354	$ 4	$ 259
--	--	--	--	--	--	--	--
--	--	--	--	5,795	23	--	--
--	2,839	142	8,148	--	571	7	1,083
--	--	--	--	--	--	--	--
$ 280	$ 3,293	$ 4,250	$ 27,843	$ 21,017	$ 2,948	$ 11	$ 1,342
$ --	$ --	$ --	$ --	$ --	$ 572	$ --	$ --
--	3,293	812	5,110	--	577	--	1,342
--	--	--	1,739	--	--	--	--
--	--	--	--	21,017	--	--	--
--	--	--	--	--	--	--	--
--	3,293	812	6,849	21,017	1,149	--	1,342
--	--	--	--	--	1,799	--	--
--	--	56	964	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
280	--	3,382	20,030	--	--	11	--
280	--	3,438	20,994	--	1,799	11	--
$ 280	$ 3,293	$ 4,250	$ 27,843	$ 21,017	$ 2,948	$ 11	$ 1,342

OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUNDS	PARISH ROYALTY FUND	PESTICIDE FUND	PET OVERPOPULATION FUND	PETROLEUM PRODUCTS FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	42,935	7	--	--
--	--	--	--	--	1,822	--	--
--	--	--	1	--	1	--	--
--	--	--	1	42,935	1,830	--	--
--	--	--	--	42,935	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	50	701	5,111	--	968	--	--
--	50	701	5,111	42,935	968	--	--
--	(50)	(701)	(5,110)	--	862	--	--
--	--	--	--	--	--	--	--
340	58,683	2,952	42,418	--	3,512	11	4,942
(585)	(58,633)	(3,138)	(31,806)	--	(3,512)	(2)	(5,049)
(245)	50	(186)	10,612	--	--	9	(107)
(245)	--	(887)	5,502	--	862	9	(107)
525	--	4,325	15,492	--	937	2	107
$ 280	$ --	$ 3,438	$ 20,994	$ --	$ 1,799	$ 11	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	POVERTY POINT RESERVOIR DEVELOPMENT FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND	PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	$ 142	$ 1,122	$ 1,736	$ 138	$ 47
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	37	3	2,799	47	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 179	$ 1,125	$ 4,535	$ 185	$ 47
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	73	--	--	11	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	73	--	--	11	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	230	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	106	895	4,535	174	47
TOTAL FUND BALANCES	106	1,125	4,535	174	47
TOTAL LIABILITIES AND FUND BALANCES	$ 179	$ 1,125	$ 4,535	$ 185	$ 47

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	POVERTY POINT RESERVOIR DEVELOPMENT FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND	PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	58	--	--	--
TOTAL EXPENDITURES	--	58	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	(58)	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	574	22	696	602	4
TRANSFERS OUT	(745)	--	(139)	(766)	--
TOTAL OTHER FINANCING SOURCES (USES)	(171)	22	557	(164)	4
NET CHANGE IN FUND BALANCES	(171)	(36)	557	(164)	4
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	277	1,161	3,978	338	43
FUND BALANCES AT END OF YEAR	$ 106	$ 1,125	$ 4,535	$ 174	$ 47

(Continued)

SPECIAL REVENUE FUNDS

RAILROAD CROSSING SAFETY FUND	RAPID RESPONSE FUND	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	REVENUE SHARING FUND	RIGHT-OF-WAY PERMIT PROCESSING FUND	RIGHT-TO-KNOW FUND
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 31
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	11
--	--	--	--	--	--	--	--
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 42
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	2,852	275	--	--	--	200	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	2,852	275	--	--	--	200	--
--	--	--	--	--	--	--	--
--	15,680	165	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	198	--	--	--	--	--	--
3	11,275	1,000	1	--	--	--	42
3	27,153	1,165	1	--	--	--	42
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 42

RAILROAD CROSSING SAFETY FUND	RAPID RESPONSE FUND	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	REVENUE SHARING FUND	RIGHT-OF-WAY PERMIT PROCESSING FUND	RIGHT-TO-KNOW FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	24	--	--	--	--	--	--
--	--	--	--	53,031	--	--	--
--	--	--	--	--	--	--	--
--	24	--	--	53,031	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	53,031	--	--	--
--	--	--	--	53,031	--	--	--
--	24	--	--	--	--	--	--
--	--	--	--	--	--	--	--
2	10,981	2,000	4	--	90,000	331	186
--	(33,843)	(1,835)	(18)	--	(90,000)	(331)	(291)
2	(22,862)	165	(14)	--	--	--	(105)
2	(22,838)	165	(14)	--	--	--	(105)
1	49,991	1,000	15	--	--	--	147
$ 3	$ 27,153	$ 1,165	$ 1	$ --	$ --	$ --	$ 42

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 1,142	$ 5,908	$ 3,344	$ 1	$ 1,641
INVESTMENTS	--	--	52,545	--	--
RECEIVABLES (NET)	--	94	--	--	--
DUE FROM OTHER FUNDS	174	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 1,316	$ 6,002	$ 55,889	$ 1	$ 1,641
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	155	452	55	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	155	452	55	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,161	5,550	55,834	1	1,641
TOTAL FUND BALANCES	1,161	5,550	55,834	1	1,641
TOTAL LIABILITIES AND FUND BALANCES	$ 1,316	$ 6,002	$ 55,889	$ 1	$ 1,641

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	1,304	4,274	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	435	--	--	--
TOTAL REVENUES	--	1,739	4,274	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	1,739	4,274	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	56,406	--	--	1	8
TRANSFERS OUT	(56,897)	(3,013)	(839)	(32)	--
TOTAL OTHER FINANCING SOURCES (USES)	(491)	(3,013)	(839)	(31)	8
NET CHANGE IN FUND BALANCES	(491)	(1,274)	3,435	(31)	8
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,652	6,824	52,399	32	1,633
FUND BALANCES AT END OF YEAR	$ 1,161	$ 5,550	$ 55,834	$ 1	$ 1,641

(Continued)

SPECIAL REVENUE FUNDS

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT ACCOUNT	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND	SEVERANCE TAX FUND
$ 139	$ 8,750	$ --	$ 744	$ 2	$ 253	$ 354	$ --
13,434	--	--	11,226	--	--	--	--
--	--	--	--	--	--	--	470
92	220	--	--	--	1	65	10,450
--	--	--	--	--	--	--	--
$ 13,665	$ 8,970	$ --	$ 11,970	$ 2	$ 254	$ 419	$ 10,920
$ --	$ --	$ --	$ 96	$ --	$ --	$ --	$ --
--	--	--	--	--	58	179	28
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	10,892
--	--	--	--	--	--	--	--
--	--	--	96	--	58	179	10,920
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	407	--	--	--	--
13,665	8,970	--	11,467	2	196	240	--
13,665	8,970	--	11,874	2	196	240	--
$ 13,665	$ 8,970	$ --	$ 11,970	$ 2	$ 254	$ 419	$ 10,920

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT ACCOUNT	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND	SEVERANCE TAX FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
987	44	--	286	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	1,701	--	--	--	--
987	44	--	1,987	--	--	--	--
--	--	--	--	--	--	--	44,056
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	544	--	--	--	--
--	--	--	544	--	--	--	44,056
987	44	--	1,443	--	--	--	(44,056)
--	--	--	--	--	--	--	--
92	220	1	284	2	330	499	44,056
(464)	--	(112)	--	(11)	(321)	(523)	--
(372)	220	(111)	284	(9)	9	(24)	44,056
615	264	(111)	1,727	(9)	9	(24)	--
13,050	8,706	111	10,147	11	187	264	--
$ 13,665	$ 8,970	$ --	$ 11,874	$ 2	$ 196	$ 240	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SHRIMP TRADE PETITION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 75	$ 92	$ 77	$ 2,472	$ 170
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	14	55	1	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 89	$ 147	$ 78	$ 2,472	$ 170
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	--	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	89	147	78	2,472	170
TOTAL FUND BALANCES	89	147	78	2,472	170
TOTAL LIABILITIES AND FUND BALANCES	$ 89	$ 147	$ 78	$ 2,472	$ 170

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SHRIMP TRADE PETITION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	1,050
TOTAL REVENUES	--	--	--	--	1,050
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	750
TOTAL EXPENDITURES	--	--	--	--	750
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	300
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	843	72	1	919	750
TRANSFERS OUT	(834)	(54)	(285)	(2,664)	(880)
TOTAL OTHER FINANCING SOURCES (USES)	9	18	(284)	(1,745)	(130)
NET CHANGE IN FUND BALANCES	9	18	(284)	(1,745)	170
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	80	129	362	4,217	--
FUND BALANCES AT END OF YEAR	$ 89	$ 147	$ 78	$ 2,472	$ 170

(Continued)

SPECIAL REVENUE FUNDS

SPORTS FACILITY ASSISTANCE FUND	STATE EMERGENCY RESPONSE FUND	STATE HIGHWAY FUND #2	STATE HIGHWAY IMPROVEMENT FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND
$ 2,569	$ 82,436	$ 10,883	$ 5,165	$ 206	$ 1,930	$ 7	$ 48
--	--	--	--	--	--	--	--
--	--	667	--	--	--	--	--
--	--	--	7,056	67	1,862	2	453
--	--	--	--	--	--	--	--
$ 2,569	$ 82,436	$ 11,550	$ 12,221	$ 273	$ 3,792	$ 9	$ 501
$ --	$ --	$ 5,775	$ --	$ --	$ --	$ --	$ --
100	10,288	5,775	4,045	272	3	9	350
1,650	--	--	--	--	2,123	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1,750	10,288	11,550	4,045	272	2,126	9	350
--	--	--	--	--	--	--	--
--	365	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	641	--	--	--	--	--	--
819	71,142	--	8,176	1	1,666	--	151
819	72,148	--	8,176	1	1,666	--	151
$ 2,569	$ 82,436	$ 11,550	$ 12,221	$ 273	$ 3,792	$ 9	$ 501

SPORTS FACILITY ASSISTANCE FUND	STATE EMERGENCY RESPONSE FUND	STATE HIGHWAY FUND #2	STATE HIGHWAY IMPROVEMENT FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	79	--	--	--	--	--	--
--	--	11,550	--	--	--	--	--
--	--	--	--	--	--	--	--
--	79	11,550	--	--	--	--	--
--	--	5,775	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
4,150	--	--	--	--	43,177	--	--
4,150	--	5,775	--	--	43,177	--	--
(4,150)	79	5,775	--	--	(43,177)	--	--
--	--	--	--	--	--	--	--
3,328	90,352	--	34,842	733	151,527	158	563
(100)	(76,008)	(5,775)	(27,351)	(732)	(108,333)	(158)	(513)
3,228	14,344	(5,775)	7,491	1	43,194	--	50
(922)	14,423	--	7,491	1	17	--	50
1,741	57,725	--	685	--	1,649	--	101
$ 819	$ 72,148	$ --	$ 8,176	$ 1	$ 1,666	$ --	$ 151

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	TEACHER EDUCATIONAL AID FOR CHILDREN FUND	TELECOMMUN-ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TELEPHONIC SOLICITATION RELIEF FUND	TIDELANDS FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ --	$ 5,646	$ 29,661	$ 68	$ 5
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	183	4,661	14	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ --	$ 5,829	$ 34,322	$ 82	$ 5
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	350	24,318	13	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	350	24,318	13	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	200	--	--
UNDESIGNATED	--	5,479	9,804	69	5
TOTAL FUND BALANCES	--	5,479	10,004	69	5
TOTAL LIABILITIES AND FUND BALANCES	$ --	$ 5,829	$ 34,322	$ 82	$ 5

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	TEACHER EDUCATIONAL AID FOR CHILDREN FUND	TELECOMMUN-ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TELEPHONIC SOLICITATION RELIEF FUND	TIDELANDS FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	25	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	25	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	25	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	--	882	29,047	307	--
TRANSFERS OUT	(42)	(2,265)	(20,064)	(446)	--
TOTAL OTHER FINANCING SOURCES (USES)	(42)	(1,383)	8,983	(139)	--
NET CHANGE IN FUND BALANCES	(42)	(1,383)	9,008	(139)	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	42	6,862	996	208	5
FUND BALANCES AT END OF YEAR	$ --	$ 5,479	$ 10,004	$ 69	$ 5

(Continued)

SPECIAL REVENUE FUNDS

	TOBACCO CONTROL SPECIAL FUND	TOBACCO REGULATION ENFORCEMENT FUND	TOBACCO SETTLEMENT ENFORCEMENT FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	UNCLAIMED PROPERTY LEVERAGE FUND
	$ 1	$ 52	$ 1,013	$ 1,179	$ 395,455	$ 2,814	$ 1,891	$ 45,027
	--	--	--	--	--	--	--	--
	--	--	--	--	2	--	--	--
	--	118	--	7,024	83,741	3	--	--
	--	--	--	--	86,851	--	--	--
	$ 1	$ 170	$ 1,013	$ 8,203	$ 566,049	$ 2,817	$ 1,891	$ 45,027
	$ --	$ --	$ --	$ --	$ 75	$ --	$ --	$ --
	--	170	23	3,188	109,566	140	6	24
	--	--	--	4,778	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	170	23	7,966	109,641	140	6	24
	--	--	--	--	--	--	--	--
	--	--	--	--	10,400	--	--	--
	--	--	--	--	360,927	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	1,745	--	--	172
	1	--	990	237	83,336	2,677	1,885	44,831
	1	--	990	237	456,408	2,677	1,885	45,003
	$ 1	$ 170	$ 1,013	$ 8,203	$ 566,049	$ 2,817	$ 1,891	$ 45,027

	TOBACCO CONTROL SPECIAL FUND	TOBACCO REGULATION ENFORCEMENT FUND	TOBACCO SETTLEMENT ENFORCEMENT FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	UNCLAIMED PROPERTY LEVERAGE FUND
	$ --	$ --	$ --	$ --	$ 823,424	$ --	$ --	$ --
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	214	--	--	21
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	823,638	--	--	21
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	9,979	--	--	--
	--	--	--	26,169	18,373	--	--	--
	--	--	--	26,169	28,352	--	--	--
	--	--	--	(26,169)	795,286	--	--	21
	--	--	--	--	--	--	--	--
	6	635	400	37,782	571,923	1,884	1,624	15,065
	(42)	(656)	(378)	(13,198)	(1,281,307)	(3,230)	(2,078)	(1,205)
	(36)	(21)	22	24,584	(709,384)	(1,346)	(454)	13,860
	(36)	(21)	22	(1,585)	85,902	(1,346)	(454)	13,881
	37	21	968	1,822	370,506	4,023	2,339	31,122
	$ 1	$ --	$ 990	$ 237	$ 456,408	$ 2,677	$ 1,885	$ 45,003

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	UNDERGROUND DAMAGES PREVENTION FUND	UNDERWATER OBSTRUCTION REMOVAL FUND	UNIFIED CARRIER REGISTRATION AGREEMENT FUND	UNO SLIDELL TECHNOLOGY PARK FUND	UTILITY AND CARRIER INSPECTION AND SUPERVISION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 256	$ 731	$ 18	$ 362	$ 425
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	98	--	--	--
DUE FROM OTHER FUNDS	1	24	20	--	2,344
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 257	$ 853	$ 38	$ 362	$ 2,769
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	7	--	1,868
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	7	--	1,868
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	257	853	31	362	901
TOTAL FUND BALANCES	257	853	31	362	901
TOTAL LIABILITIES AND FUND BALANCES	$ 257	$ 853	$ 38	$ 362	$ 2,769

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	UNDERGROUND DAMAGES PREVENTION FUND	UNDERWATER OBSTRUCTION REMOVAL FUND	UNIFIED CARRIER REGISTRATION AGREEMENT FUND	UNO SLIDELL TECHNOLOGY PARK FUND	UTILITY AND CARRIER INSPECTION AND SUPERVISION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	213	--	--	--
TOTAL REVENUES	--	213	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	213	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	257	253	1,188	1	7,693
TRANSFERS OUT	(104)	(148)	(2,745)	--	(11,760)
TOTAL OTHER FINANCING SOURCES (USES)	153	105	(1,557)	1	(4,067)
NET CHANGE IN FUND BALANCES	153	318	(1,557)	1	(4,067)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	104	535	1,588	361	4,968
FUND BALANCES AT END OF YEAR	$ 257	$ 853	$ 31	$ 362	$ 901

(Continued)

SPECIAL REVENUE FUNDS

VARIABLE EARNINGS TRANSACTION FUND	VIDEO DRAW POKER DEVICE FUND	VIDEO DRAW POKER DEVICE PURSE SUPPLEMENT FUND	VITAL RECORDS CONVERSION FUND	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WEIGHTS AND MEASURES FUND	WHITE LAKE PROPERTY FUND
$ 25	$ 4,393	$ 2,498	$ 25	$ 2,351	$ 143	$ 656	$ 2,319
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
2	6,811	114	3	122	--	7	--
--	--	--	--	--	--	--	--
$ 27	$ 11,207	$ 2,612	$ 28	$ 2,473	$ 143	$ 663	$ 2,319
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	11,207	--	--	1,080	--	613	7
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	11,207	--	--	1,080	--	613	7
--	--	--	--	--	--	--	--
--	50	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
27	(50)	2,612	28	1,393	143	50	2,312
27	--	2,612	28	1,393	143	50	2,312
$ 27	$ 11,207	$ 2,612	$ 28	$ 2,473	$ 143	$ 663	$ 2,319

VARIABLE EARNING TRANSACTION FUND	VIDEO DRAW POKER DEVICE FUND	VIDEO DRAW POKER DEVICE PURSE SUPPLEMENT FUND	VITAL RECORDS CONVERSION FUND	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WEIGHTS AND MEASURES FUND	WHITE LAKE PROPERTY FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	--	--	--	--	--	--	--
27	190,518	2,977	33	10,131	16	1,985	1,012
(67)	(190,521)	(3,350)	(62)	(10,324)	--	(1,982)	(721)
(40)	(3)	(373)	(29)	(193)	16	3	291
(40)	--	(373)	(29)	(193)	16	3	291
67	--	2,985	57	1,586	127	47	2,021
$ 27	$ --	$ 2,612	$ 28	$ 1,393	$ 143	$ 50	$ 2,312

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST	WORKERS' COMPENSATION SECOND INJURY FUND	WORKFORCE TRAINING RAPID RESPONSE FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,094
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	--	--	--	4
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,098
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	172	1,897	--	2,800
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	172	1,897	--	2,800
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	44	9,790	34,491	30	298
TOTAL FUND BALANCES	44	9,790	34,491	30	298
TOTAL LIABILITIES AND FUND BALANCES	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,098

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST	WORKERS' COMPENSATION SECOND INJURY FUND	WORKFORCE TRAINING RAPID RESPONSE FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	29	267	--	--
TOTAL REVENUES	--	29	267	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	10,000	--
TOTAL EXPENDITURES	--	--	--	10,000	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	29	267	(10,000)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	9	917	46,213	9,918	305
TRANSFERS OUT	--	(399)	(40,261)	--	(3,175)
TOTAL OTHER FINANCING SOURCES (USES)	9	518	5,952	9,918	(2,870)
NET CHANGE IN FUND BALANCES	9	547	6,219	(82)	(2,870)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	35	9,243	28,272	112	3,168
FUND BALANCES AT END OF YEAR	$ 44	$ 9,790	$ 34,491	$ 30	$ 298

(Continued)

SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS			PERMANENT FUNDS		
TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2010	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2010	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND
$ 3,123,142	$ 252	$ 95,454	$ 95,706	$ 89,890	$ 216	$ 36,528
800,233	128,403	109,169	237,572	468,341	--	439,251
10,976	3	--	3	--	--	--
771,187	--	--	--	137	--	--
88,791	--	--	--	--	--	--
$ 4,794,329	$ 128,658	$ 204,623	$ 333,281	$ 558,368	$ 216	$ 475,779
$ 11,095	$ 10	$ 28,648	$ 28,658	$ 100	$ --	$ --
607,165	--	37,869	37,869	--	--	6
25,376	--	--	--	--	--	--
31,909	--	--	--	--	--	--
60,000	--	--	--	--	--	--
735,545	10	66,517	66,527	100	--	6
3,038	128,648	--	128,648	--	--	--
97,785	--	--	--	--	--	--
370,927	--	--	--	--	--	--
--	--	137,492	137,492	--	--	--
--	--	--	--	--	100	--
230	--	--	--	78,777	--	--
16,355	--	614	614	12,070	--	11,381
3,570,449	--	--	--	467,421	116	464,392
4,058,784	128,648	138,106	266,754	558,268	216	475,773
$ 4,794,329	$ 128,658	$ 204,623	$ 333,281	$ 558,368	$ 216	$ 475,779

TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2010	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2010	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND
$ 829,343	$ --	$ --	$ --	$ --	$ --	$ --
53,385	--	97,847	97,847	--	--	--
--	88,112	--	88,112	--	--	--
165,371	4,169	78	4,247	9,262	1	8,295
67,751	--	--	--	--	--	--
44,449	--	--	--	15,281	--	--
1,160,299	92,281	97,925	190,206	24,543	1	8,295
92,766	--	--	--	--	--	--
--	38,960	5,880	44,840	--	--	--
9,979	54,332	91,947	146,279	--	--	--
218,380	111	20	131	21,800	--	--
321,125	93,403	97,847	191,250	21,800	--	--
839,174	(1,122)	78	(1,044)	2,743	1	8,295
--	--	60,459	60,459	--	--	--
3,062,320	--	17,417	17,417	30,401	--	30,698
(4,231,223)	--	(456,518)	(456,518)	(15,382)	--	(21,697)
(1,168,903)	--	(378,642)	(378,642)	15,019	--	9,001
(329,729)	(1,122)	(378,564)	(379,686)	17,762	1	17,296
4,388,513	129,770	516,670	646,440	540,506	215	458,477
$ 4,058,784	$ 128,648	$ 138,106	$ 266,754	$ 558,268	$ 216	$ 475,773

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	PERMANENT FUNDS				
	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2010	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2010
ASSETS					
CASH AND CASH EQUIVALENTS	$ 870	$ 333	$ 36,424	$ 164,261	$ 3,383,109
INVESTMENTS	--	17,303	439,251	1,364,146	2,401,951
RECEIVABLES (NET)	146	--	--	146	11,125
DUE FROM OTHER FUNDS	--	8	--	145	771,332
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	88,791
TOTAL ASSETS	$ 1,016	$ 17,644	$ 475,675	$ 1,528,698	$ 6,656,308
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 83	$ --	$ --	$ 183	$ 39,936
DUE TO OTHER FUNDS	--	580	6	592	645,626
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	25,376
DUE TO LOCAL GOVERNMENTS	--	--	--	--	31,909
OTHER LIABILITIES	32	--	--	32	60,032
TOTAL LIABILITIES	115	580	6	807	802,879
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	131,686
ENCUMBRANCES	--	--	--	--	97,785
CONTINUING PROJECTS	--	--	--	--	370,927
CONSTRUCTION	--	--	--	--	137,492
TRUST PRINCIPAL	--	17,064	--	17,164	17,164
OTHER	681	--	--	79,458	79,688
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	11,381	34,832	51,801
UNDESIGNATED	220	--	464,288	1,396,437	4,966,886
TOTAL FUND BALANCES	901	17,064	475,669	1,527,891	5,853,429
TOTAL LIABILITIES AND FUND BALANCES	$ 1,016	$ 17,644	$ 475,675	$ 1,528,698	$ 6,656,308

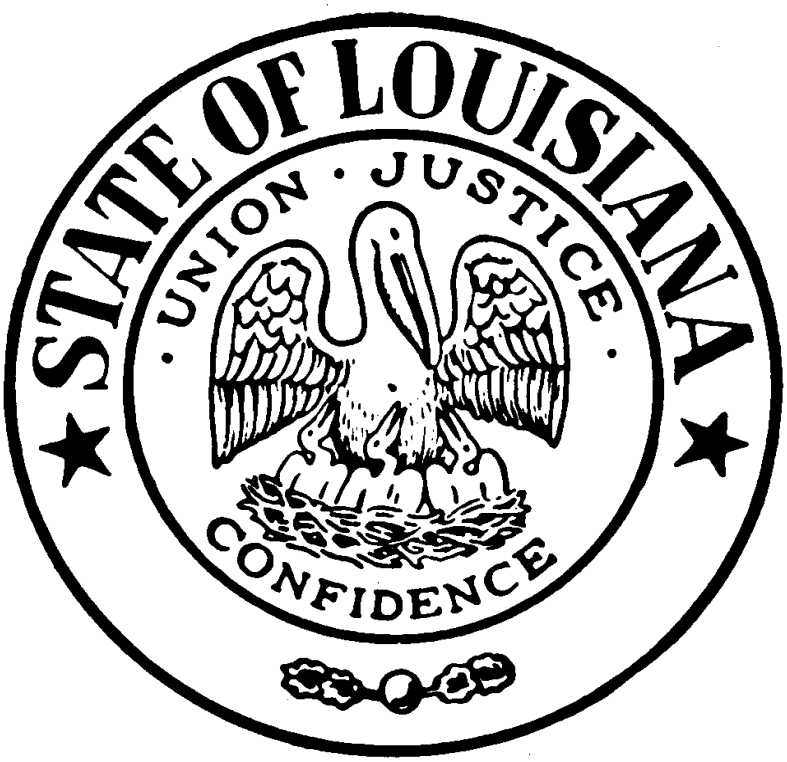
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2010	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2010
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ 829,343
TAXES	--	--	--	--	151,232
TOBACCO SETTLEMENT	--	--	--	--	88,112
USE OF MONEY AND PROPERTY	1,417	--	8,295	27,270	196,888
LICENSES, PERMITS, AND FEES	--	--	--	--	67,751
OTHER	--	--	--	15,281	59,730
TOTAL REVENUES	1,417	--	8,295	42,551	1,393,056
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	92,766
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	44,840
INTEREST AND FISCAL CHARGES	--	--	--	--	156,258
OTHER	2,079	--	--	23,879	242,390
TOTAL EXPENDITURES	2,079	--	--	23,879	536,254
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(662)	--	8,295	18,672	856,802
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	60,459
TRANSFERS IN	--	692	30,675	92,466	3,172,203
TRANSFERS OUT	--	--	(17,378)	(54,457)	(4,742,198)
TOTAL OTHER FINANCING SOURCES (USES)	--	692	13,297	38,009	(1,509,536)
NET CHANGE IN FUND BALANCES	(662)	692	21,592	56,681	(652,734)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,563	16,372	454,077	1,471,210	6,506,163
FUND BALANCES AT END OF YEAR	$ 901	$ 17,064	$ 475,669	$ 1,527,891	$ 5,853,429

(Concluded)


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	COASTAL PROTECTION AND RESTORATION FUND			EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	4,651	4,120	(531)
USE OF MONEY AND PROPERTY	--	--	--	--	14	14
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	4,192	4,192	--	--	--
TOTAL REVENUES	--	4,192	4,192	4,651	4,134	(517)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	4,192	4,192	4,651	4,134	(517)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	28,200	390,594	362,394	--	--	--
TRANSFERS OUT	(28,200)	(479,193)	(450,993)	(4,651)	(690)	3,961
TOTAL OTHER FINANCING SOURCES (USES)	--	(88,599)	(88,599)	(4,651)	(690)	3,961
NET CHANGES IN FUND BALANCES	$ --	$ (84,407)	$ (84,407)	$ --	$ 3,444	$ 3,444

	FEDERAL ENERGY SETTLEMENT FUND			HELP LOUISIANA VOTE FUND		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ 41	$ 41
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	16,778	100	(16,678)	14,427	48	(14,379)
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	150	150	--	--	--
TOTAL REVENUES	16,778	250	(16,528)	14,427	89	(14,338)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,778	250	(16,528)	14,427	89	(14,338)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(16,778)	(2,022)	14,756	(14,427)	(2,750)	11,677
TOTAL OTHER FINANCING SOURCES (USES)	(16,778)	(2,022)	14,756	(14,427)	(2,750)	11,677
NET CHANGES IN FUND BALANCES	$ --	$ (1,772)	$ (1,772)	$ --	$ (2,661)	$ (2,661)

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses)
is required for the budgetary basis.

(Continued)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	INCUMBENT WORKER TRAINING ACCOUNT			LABOR PENALTY AND INTEREST ACCOUNT		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	45,362	24,220	(21,142)	2,375	3,887	1,512
USE OF MONEY AND PROPERTY	--	154	154	--	52	52
LICENSES, PERMITS, AND FEES	--	--	--	--	109	109
OTHER	--	--	--	--	15	15
TOTAL REVENUES	45,362	24,374	(20,988)	2,375	4,063	1,688
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,362	24,374	(20,988)	2,375	4,063	1,688
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(45,362)	(23,440)	21,922	(2,375)	(2,544)	(169)
TOTAL OTHER FINANCING SOURCES (USES)	(45,362)	(23,440)	21,922	(2,375)	(2,544)	(169)
NET CHANGES IN FUND BALANCES	$ --	$ 934	$ 934	$ --	$ 1,519	$ 1,519

	LOUISIANA TOURISM PROMOTION DISTRICT			MARSH ISLAND OPERATING FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL **	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	19,500	21,158	1,658	--	--	--
USE OF MONEY AND PROPERTY	--	4	4	713	778	65
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	9	9	--	--	--
TOTAL REVENUES	19,500	21,171	1,671	713	778	65
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19,500	21,171	1,671	713	778	65
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	14,729	14,729	--	--	--
TRANSFERS OUT	(19,500)	(34,637)	(15,137)	(713)	(778)	(65)
TOTAL OTHER FINANCING SOURCES (USES)	(19,500)	(19,908)	(408)	(713)	(778)	(65)
NET CHANGES IN FUND BALANCES	$ --	$ 1,263	$ 1,263	$ --	$ --	$ --

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PARISH ROYALTY FUND			RETIREMENT SYSTEM INSURANCE PROCEEDS FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	42,200	42,935	735	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	54,900	53,031	(1,869)
OTHER	--	--	--	--	--	--
TOTAL REVENUES	42,200	42,935	735	54,900	53,031	(1,869)
EXPENDITURES:						
INTERGOVERNMENTAL	42,200	42,935	(735)	--	--	--
OTHER	--	--	--	54,900	53,031	1,869
TOTAL EXPENDITURES	42,200	42,935	(735)	54,900	53,031	1,869
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--	--
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	--	--
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --	$ --	$ --

	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND			ROCKEFELLER WILDLIFE REFUGE AND TRUST AND PROTECTION FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	6,200	1,304	(4,896)	1,008	1,698	690
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	435	435	--	--	--
TOTAL REVENUES	6,200	1,739	(4,461)	1,008	1,698	690
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,200	1,739	(4,461)	1,008	1,698	690
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(6,200)	(3,013)	3,187	(1,008)	(839)	169
TOTAL OTHER FINANCING SOURCES (USES)	(6,200)	(3,013)	3,187	(1,008)	(839)	169
NET CHANGES IN FUND BALANCES	$ --	$ (1,274)	$ (1,274)	$ --	$ 859	$ 859

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses)
is required for the budgetary basis.

(Concluded)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SEVERANCE TAX FUND			STATE HIGHWAY FUND #2		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL **	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	11,300	11,550	250
OTHER	--	--	--	--	--	--
TOTAL REVENUES	--	--	--	11,300	11,550	250
EXPENDITURES:						
INTERGOVERNMENTAL	38,800	44,056	(5,256)	11,300	11,550	(250)
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	38,800	44,056	(5,256)	11,300	11,550	(250)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,800)	(44,056)	(5,256)	--	--	--
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	38,800	44,056	5,256	--	--	--
TRANSFERS OUT	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	38,800	44,056	5,256	--	--	--
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --	$ --	$ --

	TRANSPORTATION TRUST FUND			TOTAL BUDGETED SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ 675,660	823,424	$ 147,764	$ 675,660	$ 823,465	$ 147,805
TAXES	--	--	--	71,888	53,385	(18,503)
USE OF MONEY AND PROPERTY	--	--	--	81,326	47,087	(34,239)
LICENSES, PERMITS, AND FEES	--	--	--	66,200	64,690	(1,510)
OTHER	--	--	--	--	4,801	4,801
TOTAL REVENUES	675,660	823,424	147,764	895,074	993,428	98,354
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	92,300	98,541	(6,241)
OTHER	--	28,352	(28,352)	54,900	81,383	(26,483)
TOTAL EXPENDITURES	--	28,352	(28,352)	147,200	179,924	(32,724)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	675,660	795,072	119,412	747,874	813,504	65,630
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	540,600	574,675	34,075	607,600	1,024,054	416,454
TRANSFERS OUT	(1,216,260)	(1,281,307)	(65,047)	(1,355,474)	(1,831,213)	(475,739)
TOTAL OTHER FINANCING SOURCES (USES)	(675,660)	(706,632)	(30,972)	(747,874)	(807,159)	(59,285)
NET CHANGES IN FUND BALANCES	$ --	$ 88,440	$ 88,440	$ --	$ 6,345	$ 6,345

COMBINING BALANCE SHEET

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 22,225	$ 204,833	$ 26,519	$ 1,108	$ --
INVESTMENTS	11,463	--	--	--	--
RECEIVABLES (NET)	1,459	1,550	741	115	--
DUE FROM FEDERAL GOVERNMENT	--	418	--	--	--
INVENTORIES	2	--	--	183	--
PREPAYMENTS	49	--	--	--	--
NOTES RECEIVABLE	--	14,611	4,232	--	--
OTHER CURRENT ASSETS	7	--	--	--	--
TOTAL CURRENT ASSETS	35,205	221,412	31,492	1,406	--
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	1,053	--	--	--	--
INVESTMENTS	364	--	--	--	--
RECEIVABLES	53	--	--	--	--
INVESTMENTS	3,673	--	--	--	--
NOTES RECEIVABLE	--	212,511	90,942	--	398,788
CAPITAL ASSETS (NOTE 5)					
LAND	2,185	--	--	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	6,743	--	--	708	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	802	--	--	69	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	315	--	--	--	--
CONSTRUCTION IN PROGRESS	103	--	--	--	--
OTHER NONCURRENT ASSETS	45	--	--	--	--
TOTAL NONCURRENT ASSETS	15,336	212,511	90,942	777	398,788
TOTAL ASSETS	$ 50,541	$ 433,923	$ 122,434	$ 2,183	$ 398,788
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 1,871	$ 384	$ --	$ 113	$ --
DUE TO OTHER FUNDS	--	72	--	--	--
DEFERRED REVENUES	4,032	--	--	--	--
OTHER CURRENT LIABILITIES	269	--	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	258	--	--	12	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
NOTES PAYABLE	--	--	--	--	--
TOTAL CURRENT LIABILITIES	6,430	456	--	125	--
NONCURRENT LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	914	--	--	43	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
DEFERRED REVENUES	218	--	--	--	--
CLAIMS AND LITIGATION PAYABLE	50	--	--	--	--
NOTES PAYABLE	1,639	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OPEB PAYABLE	7,264	--	--	418	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL NONCURRENT LIABILITIES	10,085	--	--	461	--
TOTAL LIABILITIES	16,515	456	--	586	--
NET ASSETS					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	8,509	--	--	777	--
RESTRICTED FOR CAPITAL PROJECTS	--	--	--	--	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	1,843	895	112	--	--
UNRESTRICTED	23,674	432,572	122,322	820	398,788
TOTAL NET ASSETS	34,026	433,467	122,434	1,597	398,788
TOTAL LIABILITIES AND NET ASSETS	$ 50,541	$ 433,923	$ 122,434	$ 2,183	$ 398,788

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 44	$ 7,709	$ --	$ 4,040	$ 149	$ 588	$ 267,215
23,094	--	--	--	--	--	34,557
12,578	146	--	1,345	32	419	18,385
--	--	--	--	--	--	418
--	--	--	4,828	50	406	5,469
68	--	--	5	--	--	122
--	--	--	--	--	--	18,843
14	--	--	--	--	--	21
35,798	7,855	--	10,218	231	1,413	345,030
--	--	57	--	--	--	1,110
74,936	--	20,774	--	--	--	96,074
--	--	15	--	--	--	68
--	--	--	--	--	--	3,673
--	--	--	--	--	--	702,241
1,542	695	--	--	--	1,245	5,667
3,072	3,018	--	907	2,073	432	16,953
783	257	--	4,293	22	212	6,438
--	--	--	--	--	--	315
--	--	307,739	2	--	--	307,844
4,396	--	3,937	--	--	--	8,378
84,729	3,970	332,522	5,202	2,095	1,889	1,148,761
$ 120,527	$ 11,825	$ 332,522	$ 15,420	$ 2,326	$ 3,302	$ 1,493,791
$ 2,221	$ 1,916	$ 9,229	$ 1,298	$ 50	$ 561	$ 17,643
12,815	--	--	--	61	7	12,955
--	--	327	1	--	--	4,360
30,894	--	985	--	--	--	32,148
362	13	--	26	5	11	687
--	--	--	36	--	--	36
--	62	--	--	--	--	62
46,292	1,991	10,541	1,361	116	579	67,891
--	128	--	440	12	281	1,818
--	--	--	56	--	--	56
--	--	--	--	--	--	218
--	--	--	--	--	--	50
--	17	--	--	--	--	1,656
--	--	164,565	--	--	--	164,565
--	1,250	--	3,835	331	1,639	14,737
50,981	--	--	--	--	--	50,981
50,981	1,395	164,565	4,331	343	1,920	234,081
97,273	3,386	175,106	5,692	459	2,499	301,972
5,398	3,970	143,174	5,111	2,095	1,889	170,923
--	--	10,951	--	--	--	10,951
--	--	--	--	--	--	2,850
17,856	4,469	3,291	4,617	(228)	(1,086)	1,007,095
23,254	8,439	157,416	9,728	1,867	803	1,191,819
$ 120,527	$ 11,825	$ 332,522	$ 15,420	$ 2,326	$ 3,302	$ 1,493,791

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ 1,274	$ --	$ --	$ 2,103	$ --
ASSESSMENTS	5,378	--	--	--	--
USE OF MONEY AND PROPERTY	--	7,066	3,099	--	--
LICENSES, PERMITS, AND FEES	27,373	--	--	--	--
FEDERAL GRANTS AND CONTRACTS	--	17,853	3,152	--	--
OTHER	757	1,128	407	--	--
TOTAL OPERATING REVENUES	34,782	26,047	6,658	2,103	--
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	6,392	17,853	3,152	1,388	--
ADMINISTRATIVE	26,806	--	--	1,174	--
DEPRECIATION	572	--	--	39	--
AMORTIZATION	16	--	--	--	--
TOTAL OPERATING EXPENSES	33,786	17,853	3,152	2,601	--
OPERATING INCOME (LOSS)	996	8,194	3,506	(498)	--
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	--	--	--
USE OF MONEY AND PROPERTY	177	--	--	5	--
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	--	8	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	--	--	--
INTEREST EXPENSE	(50)	--	--	--	--
OTHER REVENUES	2,862	--	--	18	--
OTHER EXPENSES	(2,651)	(128)	(44)	--	--
TOTAL NONOPERATING REVENUES (EXPENSES)	338	(128)	(44)	31	--
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,334	8,066	3,462	(467)	--
CAPITAL CONTRIBUTIONS	--	13,084	17,229	--	--
TRANSFERS OUT	--	(1,082)	--	--	--
CHANGE IN NET ASSETS	1,334	20,068	20,691	(467)	--
TOTAL NET ASSETS - BEGINNING AS RESTATED	32,692	413,399	101,743	2,064	398,788
TOTAL NET ASSETS - ENDING	$ 34,026	$ 433,467	$ 122,434	$ 1,597	$ 398,788

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 372,366	$ 9,461	$ --	$ 25,620	$ 1,135	$ 4,627	$ 416,586
--	--	--	--	--	--	5,378
--	--	--	--	--	--	10,165
7	--	2,853	--	--	--	30,233
--	--	--	--	--	--	21,005
321	--	--	--	--	171	2,784
372,694	9,461	2,853	25,620	1,135	4,798	486,151
223,867	5,227	--	14,108	687	--	272,674
17,179	3,280	23	11,245	348	4,972	65,027
474	238	--	525	65	168	2,081
--	--	337	--	--	--	353
241,520	8,745	360	25,878	1,100	5,140	340,135
131,174	716	2,493	(258)	35	(342)	146,016
--	--	--	(1,023)	--	--	(1,023)
2,835	31	--	20	1	3	3,072
74	--	--	233	--	--	315
--	--	--	(559)	--	(9)	(568)
--	(3)	--	(2)	--	--	(55)
--	--	--	278	15	--	3,173
--	--	(11)	(135)	--	--	(2,969)
2,909	28	(11)	(1,188)	16	(6)	1,945
134,083	744	2,482	(1,446)	51	(348)	147,961
--	--	37,732	--	--	--	68,045
(133,702)	--	--	--	(61)	--	(134,845)
381	744	40,214	(1,446)	(10)	(348)	81,161
22,873	7,695	117,202	11,174	1,877	1,151	1,110,658
$ 23,254	$ 8,439	$ 157,416	$ 9,728	$ 1,867	$ 803	$ 1,191,819

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	$ 34,681	$ 25,597	$ 10,697	$ 2,511	$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(15,278)	--	(3,152)	(1,998)	--
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(15,558)	--	--	(780)	--
CLAIMS PAID TO OUTSIDERS	--	(34,322)	(21,004)	--	--
OTHER OPERATING REVENUES (EXPENSES)	(347)	17,527	232	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	3,498	8,802	(13,227)	(267)	--
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	5,974	5,256	--	--
PRINCIPAL PAID ON BONDS	--	(6,000)	(5,300)	--	--
TRANSFERS OUT	--	(1,070)	--	--	--
OTHER	26	(347)	--	18	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	26	(1,443)	(44)	18	--
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	--	--	--	--
PRINCIPAL PAID ON BONDS	--	--	--	--	--
PRINCIPAL PAID ON NOTES PAYABLE	(2,316)	--	--	--	--
INTEREST PAID ON NOTES PAYABLE	(50)	--	--	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(880)	--	--	(149)	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	341	--	--	8	--
CAPITAL CONTRIBUTIONS	--	13,075	17,229	--	--
OTHER	--	--	--	--	--
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(2,905)	13,075	17,229	(141)	--
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(7,804)	--	--	--	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	8,420	--	--	--	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	223	--	--	5	--
NET CASH PROVIDED BY INVESTING ACTIVITIES	839	--	--	5	--
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,458	20,434	3,958	(385)	--
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	21,820	184,399	22,561	1,493	--
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 23,278	$ 204,833	$ 26,519	$ 1,108	$ --
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 996	$ 8,194	$ 3,506	$ (498)	$ --
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION/AMORTIZATION	588	--	--	39	--
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	--	--	--
OTHER	--	(12)	--	--	--
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(219)	114	(222)	434	--
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	23	(358)	--	--	--
(INCREASE)DECREASE IN PREPAYMENTS	46	--	--	--	--
(INCREASE)DECREASE IN INVENTORIES	4	--	--	210	--
(INCREASE)DECREASE IN OTHER ASSETS	1	494	(16,511)	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	217	358	--	(554)	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	71	--	--	12	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	(23)	12	--	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	323	--	--	--	--
INCREASE(DECREASE) IN OPEB PAYABLE	1,444	--	--	90	--
INCREASE(DECREASE) IN OTHER LIABILITIES	27	--	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 3,498	$ 8,802	$ (13,227)	$ (267)	$ --

(Continued)

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 147,975	$ 10,748	$ 2,853	$ 26,582	$ 1,192	$ 4,701	$ 267,537
(27,605)	(6,220)	(23)	(18,980)	(908)	(2,044)	(76,208)
(6,311)	(2,040)	--	(6,596)	(235)	(2,230)	(33,750)
--	--	--	--	--	--	(55,326)
--	--	--	--	--	--	17,412
114,059	2,488	2,830	1,006	49	427	119,665
--	--	--	--	--	--	11,230
--	--	--	--	--	--	(11,300)
(133,373)	--	--	--	(61)	--	(134,504)
--	--	--	--	--	--	(303)
(133,373)	--	--	--	(61)	--	(134,877)
--	--	66,000	--	--	--	66,000
--	--	(66,000)	--	--	--	(66,000)
--	(107)	--	(53)	--	--	(2,476)
--	(3)	--	(3)	--	--	(56)
(467)	(242)	(7,681)	(834)	(8)	(116)	(10,377)
74	5	--	428	--	--	856
--	--	--	--	--	--	30,304
--	--	--	89	--	--	89
(393)	(347)	(7,681)	(373)	(8)	(116)	18,340
(11,416)	--	(74,350)	--	--	--	(93,570)
29,377	--	79,183	--	--	--	116,980
1,744	31	--	20	1	3	2,027
19,705	31	4,833	20	1	3	25,437
(2)	2,172	(18)	653	(19)	314	28,565
46	5,537	75	3,387	168	274	239,760
$ 44	$ 7,709	$ 57	$ 4,040	$ 149	$ 588	$ 268,325
$ 131,174	$ 716	$ 2,493	$ (258)	$ 35	$ (342)	$ 146,016
474	238	337	525	65	168	2,434
31	--	--	(7)	--	--	24
--	--	--	(1,157)	--	--	(1,169)
(1,342)	1,447	--	965	(3)	74	1,248
--	--	--	--	--	--	(335)
333	--	--	--	--	--	379
--	--	--	304	(8)	(387)	123
--	--	--	--	--	--	(16,016)
(792)	(185)	--	(467)	(168)	483	(1,108)
10	8	--	(2)	(3)	(5)	91
--	--	--	--	61	--	50
--	--	--	(4)	--	--	319
--	264	--	1,107	70	436	3,411
(15,829)	--	--	--	--	--	(15,802)
$ 114,059	$ 2,488	$ 2,830	$ 1,006	$ 49	$ 427	$ 119,665

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

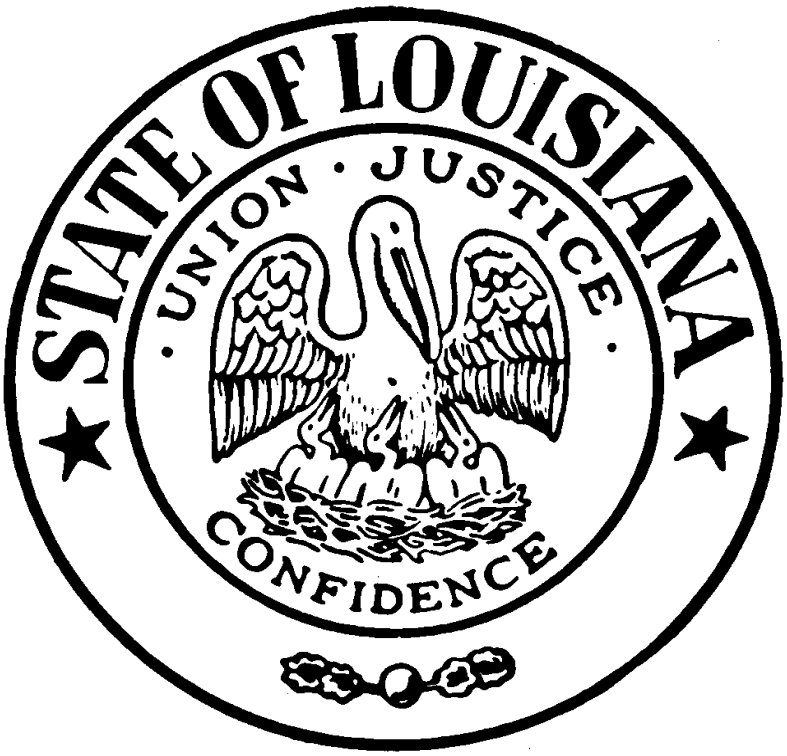
FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2010
LOUISIANA STATE BOARD OF MEDICAL EXAMINERS	
INTEREST ON CERTIFICATES OF DEPOSITS RE-INVESTED	36
LOUISIANA LOTTERY CORPORATION	
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,138
INTEREST ACCRUED ON DEPOSITS WITH MULTI-STATE LOTTERY ASSOCIATION	74
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	37,732

(Concluded)


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION
ASSETS			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	$ 1,986	$ 165	$ 34
INVESTMENTS	--	--	3,311
RECEIVABLES (NET)	1,234	36	--
INVENTORIES	633	12	--
PREPAYMENTS	2	--	--
OTHER CURRENT ASSETS	--	--	410
TOTAL CURRENT ASSETS	3,855	213	3,755
NONCURRENT ASSETS:			
RESTRICTED ASSETS			
INVESTMENTS	--	--	2,406
CAPITAL ASSETS (NOTE 5)			
LAND	--	--	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	370	19	--
OTHER NONCURRENT ASSETS	--	--	--
TOTAL NONCURRENT ASSETS	370	19	2,406
TOTAL ASSETS	$ 4,225	$ 232	$ 6,161
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND ACCRUALS	$ 292	$ 26	$ --
DUE TO OTHER FUNDS	--	--	--
DEFERRED REVENUES	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	14	3	--
NOTES PAYABLE	71	--	--
OTHER LONG-TERM LIABILITIES	--	--	300
TOTAL CURRENT LIABILITIES	377	29	300
NONCURRENT LIABILITIES:			
NONCURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	206	25	--
NOTES PAYABLE	46	--	--
OPEB PAYABLE	2,376	148	--
OTHER LONG-TERM LIABILITIES	--	--	646
TOTAL NONCURRENT LIABILITIES	2,628	173	646
TOTAL LIABILITIES	3,005	202	946
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	253	19	--
RESTRICTED FOR DEBT SERVICE	--	--	2,406
UNRESTRICTED	967	11	2,809
TOTAL NET ASSETS	1,220	30	5,215
TOTAL LIABILITIES AND NET ASSETS	$ 4,225	$ 232	$ 6,161

LOUISIANA OFFICE BUILDING CORPORATION	OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ 291	$ 6	$ 162	$ 3,609	$ 6,253
--	68,496	--	--	71,807
182	2,921	561	4,983	9,917
--	--	87	--	732
--	29	--	--	31
--	73	--	--	483
473	71,525	810	8,592	89,223
--	27,884	--	--	30,290
--	301	--	--	301
--	188	2	1,100	1,679
--	3,103	--	--	3,103
--	31,476	2	1,100	35,373
$ 473	$ 103,001	$ 812	$ 9,692	$ 124,596
$ --	$ 167	$ 96	$ 996	$ 1,577
--	--	--	4	4
--	277	--	--	277
--	--	2	27	46
--	--	--	--	71
--	3,300	--	--	3,600
--	3,744	98	1,027	5,575
--	--	28	453	712
--	--	--	--	46
--	--	148	3,984	6,656
--	62,343	--	--	62,989
--	62,343	176	4,437	70,403
--	66,087	274	5,464	75,978
--	489	2	1,100	1,863
--	27,884	--	--	30,290
473	8,541	536	3,128	16,465
473	36,914	538	4,228	48,618
$ 473	$ 103,001	$ 812	$ 9,692	$ 124,596

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA OFFICE BUILDING CORPORATION
OPERATING REVENUES:				
SALES OF COMMODITIES AND SERVICES	$ 9,349	$ 393	$ --	$ --
USE OF MONEY AND PROPERTY	--	--	--	--
OTHER	--	--	--	182
TOTAL OPERATING REVENUES	9,349	393	--	182
OPERATING EXPENSES:				
COST OF SALES AND SERVICES	5,155	144	--	--
ADMINISTRATIVE	4,513	412	564	142
DEPRECIATION	173	3	--	--
AMORTIZATION	--	--	(26)	--
TOTAL OPERATING EXPENSES	9,841	559	538	142
OPERATING INCOME (LOSS)	(492)	(166)	(538)	40
NONOPERATING REVENUES (EXPENSES):				
USE OF MONEY AND PROPERTY	10	1	(12)	--
LOSS ON DISPOSAL OF FIXED ASSETS	(4)	--	--	--
INTEREST EXPENSE	(6)	--	(923)	--
OTHER REVENUES	16	--	943	--
TOTAL NONOPERATING REVENUES (EXPENSES)	16	1	8	--
CHANGE IN NET ASSETS	(476)	(165)	(530)	40
TOTAL NET ASSETS - BEGINNING	1,696	195	5,745	433
TOTAL NET ASSETS - ENDING	$ 1,220	$ 30	$ 5,215	$ 473

OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ --	$ 1,383	$ 54,308	$ 65,433
22,269	--	--	22,269
--	--	--	182
22,269	1,383	54,308	87,884
--	1,006	45,944	52,249
23,852	395	9,468	39,346
78	1	653	908
(366)	--	--	(392)
23,564	1,402	56,065	92,111
(1,295)	(19)	(1,757)	(4,227)
12,739	2	14	12,754
--	--	(102)	(106)
(13,374)	--	(7)	(14,310)
--	2	--	961
(635)	4	(95)	(701)
(1,930)	(15)	(1,852)	(4,928)
38,844	553	6,080	53,546
$ 36,914	$ 538	$ 4,228	$ 48,618

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM CUSTOMERS	$ 8,919	$ 393	$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(6,128)	(148)	(564)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(2,854)	(382)	--
OTHER OPERATING REVENUES	--	25	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(63)	(112)	(564)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
OTHER	16	--	2,496
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	16	--	2,496
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
PROCEEDS FROM SALE OF BONDS	--	--	--
PRINCIPAL PAID ON BONDS	--	--	(1,565)
INTEREST PAID ON BOND MATURITIES	--	--	(943)
PRINCIPAL PAID ON NOTES PAYABLE	(71)	--	--
INTEREST PAID ON NOTES PAYABLE	(6)	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	--	--	--
OTHER	(4)	--	--
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(81)	--	(2,508)
CASH FLOWS FROM INVESTING ACTIVITIES:			
PURCHASE OF INVESTMENT SECURITIES	--	--	(2,504)
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	--	--	3,079
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	9	1	2
NET CASH PROVIDED BY INVESTING ACTIVITIES	9	1	577
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(119)	(111)	1
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,105	276	33
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1,986	$ 165	$ 34
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	$ (492)	$ (166)	$ (538)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION/AMORTIZATION	173	3	(26)
CHANGES IN ASSETS AND LIABILITIES:			
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(430)	32	1
(INCREASE)DECREASE IN PREPAYMENTS	--	--	--
(INCREASE)DECREASE IN INVENTORIES	175	(4)	--
(INCREASE)DECREASE IN OTHER ASSETS	--	--	45
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	(56)	(6)	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	(1)	5	--
INCREASE(DECREASE) IN DEFERRED REVENUES	--	--	--
INCREASE(DECREASE) IN OPEB PAYABLE	567	24	--
INCREASE(DECREASE) IN OTHER LIABILITIES	1	--	(46)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (63)	$ (112)	$ (564)

LOUISIANA OFFICE BUILDING CORPORATION	OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ --	$ 22,548	$ 1,210	$ 54,712	$ 87,782
(142)	(23,855)	(963)	(46,178)	(77,978)
--	--	(306)	(8,515)	(12,057)
16	--	--	--	41
(126)	(1,307)	(59)	19	(2,212)
--	--	2	--	2,514
--	--	2	--	2,514
--	99,055	--	--	99,055
--	(120,440)	--	--	(122,005)
--	(14,008)	--	--	(14,951)
--	--	--	(301)	(372)
--	--	--	(7)	(13)
--	(78)	--	(404)	(482)
--	33,859	--	--	33,855
--	(1,612)	--	(712)	(4,913)
--	(14,709)	--	--	(17,213)
--	16,644	--	--	19,723
--	969	2	14	997
--	2,904	2	14	3,507
(126)	(15)	(55)	(679)	(1,104)
417	21	217	4,288	7,357
$ 291	$ 6	$ 162	$ 3,609	$ 6,253
$ 40	$ (1,295)	$ (19)	$ (1,757)	$ (4,227)
--	(288)	1	653	516
(166)	255	(173)	404	(77)
--	(11)	--	--	(11)
--	--	4	--	175
--	--	--	--	45
--	(13)	80	(233)	(228)
--	--	1	(6)	(1)
--	45	--	--	45
--	--	47	958	1,596
--	--	--	--	(45)
$ (126)	$ (1,307)	$ (59)	$ 19	$ (2,212)

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2010
ASSETS					
CASH AND CASH EQUIVALENTS	$ 16,283	$ 84,434	$ 23	$ 150,797	$ 251,537
RECEIVABLES:					
EMPLOYER CONTRIBUTIONS	7,899	37,243	5,611	96,898	147,651
MEMBER CONTRIBUTIONS	3,259	15,610	243	59,258	78,370
INVESTMENT PROCEEDS	19,318	7,455	--	36,016	62,789
INTEREST AND DIVIDENDS	4,859	26,788	431	28,455	60,533
OTHER	81	2,895	--	11,415	14,391
TOTAL RECEIVABLES	35,416	89,991	6,285	232,042	363,734
INVESTMENTS (AT FAIR VALUE):					
SHORT TERM INVESTMENTS	60,895	127,616	6,001	712,442	906,954
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	143,922	543,635	14,475	727,728	1,429,760
BONDS - DOMESTIC	152,270	1,054,002	80,723	591,788	1,878,783
BONDS - INTERNATIONAL	100,770	391,157	736	569,849	1,062,512
MARKETABLE SECURITIES - DOMESTIC	568,649	1,963,558	172,596	3,203,068	5,907,871
MARKETABLE SECURITIES - INTERNATIONAL	153,879	1,871,908	43,513	3,189,811	5,259,111
ALTERNATIVE INVESTMENTS	91,103	2,009,101	43,214	2,746,290	4,889,708
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	145,764	717,219	29,367	1,199,700	2,092,050
OTHER	1,993	10	--	--	2,003
TOTAL INVESTMENTS	1,419,245	8,678,206	390,625	12,940,676	23,428,752
PROPERTY, PLANT AND EQUIPMENT:					
LAND	1,010	858	--	858	2,726
BUILDINGS AND IMPROVEMENTS	3,633	5,519	--	5,540	14,692
FURNITURE AND EQUIPMENT	313	2,842	125	4,570	7,850
INTANGIBLE ASSETS	--	10,887	--	--	10,887
LESS ACCUMULATED DEPRECIATION AND AMORTIZATION	(1,589)	(8,916)	(119)	(6,719)	(17,343)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,367	11,190	6	4,249	18,812
TOTAL ASSETS	1,474,311	8,863,821	396,939	13,327,764	24,062,835
LIABILITIES					
ACCOUNTS PAYABLE	1,211	10,859	604	1,567	14,241
INVESTMENT COMMITMENTS PAYABLE	39,502	18,150	195	72,755	130,602
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	145,764	765,007	29,367	1,199,700	2,139,838
OPEB PAYABLE	1,883	5,262	252	6,601	13,998
REFUNDS PAYABLE AND OTHER	99	--	--	25,710	25,809
TOTAL LIABILITIES	188,459	799,278	30,418	1,306,333	2,324,488
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS	$ 1,285,852	$ 8,064,543	$ 366,521	$ 12,021,431	$ 21,738,347

(Schedule of Funding Progress - Note 6)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2010
ADDITIONS					
CONTRIBUTIONS:					
EMPLOYER	$ 53,297	$ 490,701	$ 27,089	$ 665,220	$ 1,236,307
MEMBERS	22,349	205,328	5,449	347,114	580,240
TOTAL CONTRIBUTIONS	75,646	696,029	32,538	1,012,334	1,816,547
INVESTMENT INCOME:					
NET INCREASE IN FAIR VALUE OF INVESTMENTS	118,523	701,945	33,511	1,047,493	1,901,472
INTEREST AND DIVIDENDS	30,482	199,676	6,084	254,685	490,927
ALTERNATIVE INVESTMENT INCOME	2,403	232,043	--	41,032	275,478
LESS ALTERNATIVE INVESTMENT EXPENSES	--	(28,296)	--	(30,548)	(58,844)
SECURITIES LENDING INCOME	609	47,549	132	4,779	53,069
LESS SECURITIES LENDING EXPENSES	(174)	128	(14)	1,025	965
OTHER INVESTMENT INCOME	1,523	4,720	--	94	6,337
LESS INVESTMENT EXPENSE OTHER THAN ALTERNATIVE INVESTMENTS AND SECURITIES LENDING	(3,554)	(18,463)	(1,347)	(32,818)	(56,182)
NET INVESTMENT INCOME	149,812	1,139,302	38,366	1,285,742	2,613,222
OTHER INCOME	--	12,690	2,006	64,946	79,642
TOTAL ADDITIONS	225,458	1,848,021	72,910	2,363,022	4,509,411
DEDUCTIONS					
RETIREMENT BENEFITS	135,746	829,237	39,961	1,532,526	2,537,470
REFUNDS OF CONTRIBUTIONS	2,783	35,676	67	40,835	79,361
ADMINISTRATIVE EXPENSES	4,381	16,763	556	17,968	39,668
DEPRECIATION AND AMORTIZATION EXPENSES	106	2,135	2	543	2,786
OTHER	278	--	--	--	278
TOTAL DEDUCTIONS	143,294	883,811	40,586	1,591,872	2,659,563
NET INCREASE IN NET ASSETS	82,164	964,210	32,324	771,150	1,849,848
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS					
BEGINNING OF YEAR	1,203,688	7,100,333	334,197	11,250,281	19,888,499
END OF YEAR	$ 1,285,852	$ 8,064,543	$ 366,521	$ 12,021,431	$ 21,738,347

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	DEBT SERVICE RESERVE FUND	ESCROW FUND	FREE SCHOOL FUND	FUTURE MEDICAL CARE FUND	INSURANCE TRUSTS
ASSETS					
CASH AND CASH EQUIVALENTS	$ 3,977	$ 202,029	$ 3,533	$ 9,431	$ 2,284
INVESTMENTS	--	99,120	22,500	--	40,408
RECEIVABLES	--	125,375	403	6	12,227
OTHER ASSETS	--	--	--	--	417
TOTAL ASSETS	$ 3,977	$ 426,524	$ 26,436	$ 9,437	$ 55,336
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,977	$ 287,768	$ 26,436	$ 9,437	$ 50,640
OTHER LIABILITIES	--	138,756	--	--	4,696
TOTAL LIABILITIES	$ 3,977	$ 426,524	$ 26,436	$ 9,437	$ 55,336

	MISCEL-LANEOUS AGENCY FUNDS	NON-STATE ENTITIES OPEB	PAYROLL CLEARING FUND	TOTAL JUNE 30, 2010
ASSETS				
CASH AND CASH EQUIVALENTS	$ 18,347	$ 66,687	$ 1,876	$ 308,164
INVESTMENTS	--	--	--	162,028
RECEIVABLES	--	3,459	--	141,470
OTHER ASSETS	--	--	--	417
TOTAL ASSETS	$ 18,347	$ 70,146	$ 1,876	$ 612,079
LIABILITIES				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 18,347	$ 57,335	$ 1,876	$ 455,816
OTHER LIABILITIES	--	12,811	--	156,263
TOTAL LIABILITIES	$ 18,347	$ 70,146	$ 1,876	$ 612,079

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
DEBT SERVICE RESERVE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 3,975	$ 2	$ --	$ 3,977
TOTAL ASSETS	$ 3,975	$ 2	$ --	$ 3,977
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,975	$ 2	$ --	$ 3,977
TOTAL LIABILITIES	$ 3,975	$ 2	$ --	$ 3,977
ESCROW FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 216,479	$ 999,721	$ 1,014,171	$ 202,029
INVESTMENTS	77,844	21,276	--	99,120
RECEIVABLES	133,245	125,375	133,245	125,375
TOTAL ASSETS	$ 427,568	$ 1,146,372	$ 1,147,416	$ 426,524
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 281,404	$ 1,013,111	$ 1,006,747	$ 287,768
OTHER LIABILITIES	146,164	138,756	146,164	138,756
TOTAL LIABILITIES	$ 427,568	$ 1,151,867	$ 1,152,911	$ 426,524
FREE SCHOOL FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 8,608	$ 4,138	$ 9,213	$ 3,533
INVESTMENTS	16,707	5,798	5	22,500
RECEIVABLES	455	57	109	403
TOTAL ASSETS	$ 25,770	$ 9,993	$ 9,327	$ 26,436
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 24,988	$ 4,905	$ 3,457	$ 26,436
OTHER LIABILITIES	782	--	782	--
TOTAL LIABILITIES	$ 25,770	$ 4,905	$ 4,239	$ 26,436

(Continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
FUTURE MEDICAL CARE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 9,479	$ 570	$ 618	$ 9,431
RECEIVABLES	--	6	--	6
TOTAL ASSETS	$ 9,479	$ 576	$ 618	$ 9,437
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 9,479	$ 576	$ 618	$ 9,437
TOTAL LIABILITIES	$ 9,479	$ 576	$ 618	$ 9,437
INSURANCE TRUSTS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 1,635	$ 16,405	$ 15,756	$ 2,284
INVESTMENTS	51,892	4,204	15,688	40,408
RECEIVABLES	12,410	3,431	3,614	12,227
OTHER ASSETS	774	19	376	417
TOTAL ASSETS	$ 66,711	$ 24,059	$ 35,434	$ 55,336
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 65,635	$ 19,363	$ 34,358	$ 50,640
OTHER LIABILITIES	1,076	4,696	1,076	4,696
TOTAL LIABILITIES	$ 66,711	$ 24,059	$ 35,434	$ 55,336
MISCELLANEOUS AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
TOTAL ASSETS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
TOTAL LIABILITIES	$ 18,845	$ 80,046	$ 80,544	$ 18,347

(Continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
NON-STATE ENTITIES OPEB				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 68,693	$ 162,307	$ 164,313	$ 66,687
RECEIVABLES	2,753	163,012	162,306	3,459
TOTAL ASSETS	$ 71,446	$ 325,319	$ 326,619	$ 70,146
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 57,879	$ 163,013	$ 163,557	$ 57,335
OTHER LIABILITIES	13,567	163,557	164,313	12,811
TOTAL LIABILITIES	$ 71,446	$ 326,570	$ 327,870	$ 70,146
PAYROLL CLEARING FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL ASSETS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL LIABILITIES	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL ALL AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 329,729	$ 4,169,683	$ 4,191,248	$ 308,164
INVESTMENTS	146,443	31,278	15,693	162,028
RECEIVABLES	148,863	291,881	299,274	141,470
OTHER ASSETS	774	19	376	417
TOTAL ASSETS	$ 625,809	$ 4,492,861	$ 4,506,591	$ 612,079
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 464,220	$ 4,187,510	$ 4,195,914	$ 455,816
OTHER LIABILITIES	161,589	307,009	312,335	156,263
TOTAL LIABILITIES	$ 625,809	$ 4,494,519	$ 4,508,249	$ 612,079

(Concluded)

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CAPITAL AREA HUMAN SERVICES DISTRICT	FLORIDA PARISHES HUMAN SERVICES AUTHORITY	GREATER BATON ROUGE PORT COMMISSION **	GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	JEFFERSON PARISH HUMAN SERVICES AUTHORITY
ASSETS						
CURRENT ASSETS:						
CASH AND CASH EQUIVALENTS	$ 4,571	$ 2,078	$ 370	$ 6,864	$ 6,007	$ 10,297
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--	--	19,933	789
INVESTMENTS	197	--	--	10,849	--	--
RESTRICTED INVESTMENTS	--	--	--	797	--	--
RECEIVABLES (NET)	266	1,046	456	969	242	881
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	1,788	1,385	--	--	628
DUE FROM FEDERAL GOVERNMENT	--	244	52	44	--	--
INVENTORIES	--	2,604	1,392	--	320	85
PREPAYMENTS	6	--	--	85	503	28
NOTES RECEIVABLE	--	--	--	--	--	--
OTHER CURRENT ASSETS	--	--	--	--	--	--
TOTAL CURRENT ASSETS	5,040	7,760	3,655	19,608	27,005	12,708
NONCURRENT ASSETS:						
RESTRICTED ASSETS:						
CASH	--	--	--	--	3,518	--
INVESTMENTS	398	--	--	--	15,772	--
RECEIVABLES (NET)	--	--	--	--	1,744	--
NOTES RECEIVABLE	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
INVESTMENTS	22,313	--	--	--	--	--
NOTES RECEIVABLE	--	--	--	--	--	--
CAPITAL ASSETS (NOTE 5)						
LAND	402	--	--	7,380	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	686	--	--	30,819	2,192	361
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	98	257	420	1,435	2,740	360
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	--	8,264	104,915	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	--	--	--	--
CONSTRUCTION IN PROGRESS	--	--	--	5,065	--	--
OTHER NONCURRENT ASSETS	--	--	--	151	1,608	--
TOTAL NONCURRENT ASSETS	23,897	257	420	53,114	132,489	721
TOTAL ASSETS	$ 28,937	$ 8,017	$ 4,075	$ 72,722	$ 159,494	$ 13,429
LIABILITIES						
CURRENT LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	$ 392	$ 1,634	$ 1,471	$ 999	$ 2,154	$ 1,978
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	211	285	--	--	--
DUE TO FEDERAL GOVERNMENT	--	--	--	--	--	--
DEFERRED REVENUES	19	--	--	481	1,164	--
OTHER CURRENT LIABILITIES	303	--	--	158	1,360	715
CURRENT PORTION OF LONG-TERM LIABILITIES:						
CONTRACTS PAYABLE	--	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	30	666	339	--	--	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--	--
NOTES PAYABLE	--	--	--	440	--	--
BONDS PAYABLE	--	--	--	--	9,771	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--	--
TOTAL CURRENT LIABILITIES	744	2,511	2,095	2,078	14,449	2,693
LONG-TERM LIABILITIES:						
NONCURRENT PORTION OF LONG-TERM LIABILITIES:						
COMPENSATED ABSENCES PAYABLE	212	745	528	--	1,337	940
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	--	764	--
NOTES PAYABLE	--	--	--	5,317	--	--
BONDS PAYABLE	--	--	--	--	56,100	--
OPEB PAYABLE	2,027	10,261	5,155	1,367	1,605	6,974
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	125	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	1,125	--
TOTAL LONG-TERM LIABILITIES	2,239	11,006	5,683	6,809	60,931	7,914
TOTAL LIABILITIES	2,983	13,517	7,778	8,887	75,380	10,607
NET ASSETS:						
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,186	257	420	47,206	43,976	721
RESTRICTED FOR:						
CAPITAL PROJECTS	--	--	--	--	16,135	--
DEBT SERVICE	--	--	--	199	12,505	--
OTHER PURPOSES	--	--	--	--	--	946
UNRESTRICTED	24,768	(5,757)	(4,123)	16,430	11,498	1,155
TOTAL NET ASSETS	25,954	(5,500)	(3,703)	63,835	84,114	2,822
TOTAL LIABILITIES AND NET ASSETS	$ 28,937	$ 8,017	$ 4,075	$ 72,722	$ 159,494	$ 13,429

* As of October 31, 2009.
** As of December 31, 2009.

(Continued)

KENNER NAVAL MUSEUM COMMISSION	LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA CANCER RESEARCH CENTER	LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	LOUISIANA HOUSING FINANCE AGENCY	LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	LOUISIANA PUBLIC FACILITIES AUTHORITY **	METROPOLITAN HUMAN SERVICES DISTRICT
$ 1	$ 1,101	$ 14,261	$ 24,047	$ 2,742	$ 139	$ 5,628	$ 1,026
--	--	--	398	55,565	--	--	--
--	--	11,097	--	--	--	1,576	--
--	--	--	--	--	--	--	--
--	16	7,374	16,566	461	10	1,992	116
--	2,448	--	--	--	--	--	2,017
--	--	--	--	2,072	--	--	396
--	--	--	--	--	15	--	928
--	--	--	--	--	20	10	--
--	7,669	--	257	1,229	--	--	--
--	449	--	4,499	734	--	--	--
1	11,683	32,732	45,767	62,803	184	9,206	4,483
--	8,108	--	--	32,062	--	--	--
--	--	--	--	13,822	--	--	--
--	--	--	--	31,100	--	6,620	--
--	85,353	--	--	91,246	--	--	--
--	--	--	--	5,203	--	--	--
--	--	--	32,244	--	--	14,390	--
--	--	--	9,610	--	--	--	--
--	6,857	672	--	712	269	--	--
--	33,462	--	--	38,247	2,149	--	--
--	10,046	2,026	--	452	5	47	319
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	685	39,392	--	20,796	--	--	--
--	8,450	--	2,974	--	--	--	--
--	152,961	42,090	44,828	233,640	2,423	21,057	319
$ 1	$ 164,644	$ 74,822	$ 90,595	$ 296,443	$ 2,607	$ 30,263	$ 4,802
$ --	$ 63	$ 3,297	$ 83	$ 890	$ 30	$ 114	$ 2,517
--	39	--	--	--	--	--	392
--	477	--	--	287	--	--	--
--	2	--	--	13,057	10	--	--
--	1,101	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	23	866	--	--	431
--	--	--	--	--	--	--	--
--	--	--	--	13,828	--	--	--
--	9,082	--	--	6,796	--	--	--
--	--	--	--	8,020	--	60	--
--	10,764	3,297	106	43,744	40	174	3,340
--	--	--	--	--	28	--	404
--	--	--	--	--	--	--	--
--	--	--	--	1,000	--	--	--
--	--	--	--	--	--	--	--
--	62,783	--	--	20,130	--	--	--
--	--	--	--	3,926	195	--	3,791
--	--	--	--	--	--	--	--
--	--	--	1,962	--	--	3,647	--
--	62,783	--	1,962	25,056	223	3,647	4,195
--	73,547	3,297	2,068	68,800	263	3,821	7,535
--	15,365	42,090	--	49,652	2,423	47	319
--	6,171	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,907	--	398	135,559	--	--	--
1	67,654	29,435	88,129	42,432	(79)	26,395	(3,052)
1	91,097	71,525	88,527	227,643	2,344	26,442	(2,733)
$ 1	$ 164,644	$ 74,822	$ 90,595	$ 296,443	$ 2,607	$ 30,263	$ 4,802

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	OTHER LEVEE DISTRICTS	ROAD HOME CORPORATION	SABINE RIVER AUTHORITY	WHITE LAKE PRESERVATION, INCORPORATED	TOTAL NONMAJOR COMPONENT UNITS
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 46,526	$ 109	$ 10,694	$ 15	$ 136,476
RESTRICTED CASH AND CASH EQUIVALENTS	301	--	--	--	76,986
INVESTMENTS	55,403	--	--	--	79,122
RESTRICTED INVESTMENTS	--	--	--	--	797
RECEIVABLES (NET)	8,539	17,188	1,396	--	57,518
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	--	8,266
DUE FROM FEDERAL GOVERNMENT	27	--	--	--	2,835
INVENTORIES	23	--	--	--	5,367
PREPAYMENTS	234	294	--	--	1,180
NOTES RECEIVABLE	19	--	--	--	9,174
OTHER CURRENT ASSETS	55	--	--	--	5,737
TOTAL CURRENT ASSETS	111,127	17,591	12,090	15	383,458
NONCURRENT ASSETS:					
RESTRICTED ASSETS:					
CASH	367	--	2,376	--	46,431
INVESTMENTS	10,148	--	--	--	40,140
RECEIVABLES (NET)	--	--	--	--	39,464
NOTES RECEIVABLE	--	--	--	--	176,599
OTHER	--	--	--	--	5,203
INVESTMENTS	--	--	--	--	68,947
NOTES RECEIVABLE	--	--	--	--	9,610
CAPITAL ASSETS (NOTE 5)					
LAND	7,260	177,276	1,430	--	202,258
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	5,113	--	29,572	--	142,601
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	11,308	147	1,000	--	30,660
INFRASTRUCTURE (NET OF DEPRECIATION)	65,470	--	19,800	--	198,449
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	1,414	--	1,414
CONSTRUCTION IN PROGRESS	2,590	--	351	--	68,879
OTHER NONCURRENT ASSETS	3	395	72	--	13,653
TOTAL NONCURRENT ASSETS	102,259	177,818	56,015	--	1,044,308
TOTAL ASSETS	$ 213,386	$ 195,409	$ 68,105	$ 15	$ 1,427,766
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 1,753	$ 18,029	$ 240	$ --	$ 35,644
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	--	927
DUE TO FEDERAL GOVERNMENT	--	--	--	--	764
DEFERRED REVENUES	166	--	29	--	14,928
OTHER CURRENT LIABILITIES	128	97	--	--	3,862
CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	1,177	--	--	--	1,177
COMPENSATED ABSENCES PAYABLE	111	--	219	--	2,685
CAPITAL LEASE OBLIGATIONS	169	--	--	--	169
NOTES PAYABLE	--	--	--	--	14,268
BONDS PAYABLE	1,050	--	865	--	27,564
OTHER LONG-TERM LIABILITIES	--	--	--	--	8,080
TOTAL CURRENT LIABILITIES	4,554	18,126	1,353	--	110,068
LONG-TERM LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	971	103	--	--	5,268
CAPITAL LEASE OBLIGATIONS	176	--	--	--	176
ESTIMATED LIABILITY FOR CLAIMS	1,793	--	--	--	3,557
NOTES PAYABLE	--	--	--	--	5,317
BONDS PAYABLE	4,755	--	2,835	--	146,603
OPEB PAYABLE	9,914	--	1,579	--	46,794
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--	125
OTHER LONG-TERM LIABILITIES	--	--	--	--	6,734
TOTAL LONG-TERM LIABILITIES	17,609	103	4,414	--	214,574
TOTAL LIABILITIES	22,163	18,229	5,767	--	324,642
NET ASSETS:					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	90,881	177,423	49,815	--	521,781
RESTRICTED FOR:					
CAPITAL PROJECTS	3,524	--	--	--	25,830
DEBT SERVICE	546	--	1,459	--	14,709
OTHER PURPOSES	180	--	--	--	138,990
UNRESTRICTED	96,092	(243)	11,064	15	401,814
TOTAL NET ASSETS	191,223	177,180	62,338	15	1,103,124
TOTAL LIABILITIES AND NET ASSETS	$ 213,386	$ 195,409	$ 68,105	$ 15	$ 1,427,766

* As of October 31, 2009.
** As of December 31, 2009.

(Concluded)

COMBINING STATEMENT OF ACTIVITIES

NONMAJOR COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2010

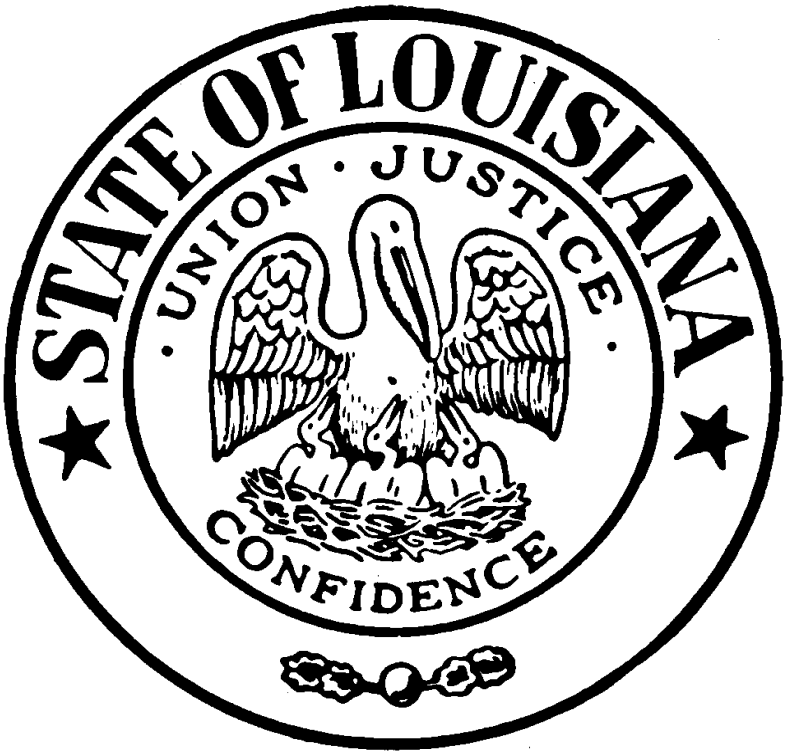
(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	$ 8,799	$ 6,883	$ --	$ --	$ (1,916)
CAPITAL AREA HUMAN SERVICES DISTRICT	38,122	1,121	--	--	(37,001)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	22,204	178	--	--	(22,026)
GREATER BATON ROUGE PORT COMMISSION **	7,740	4,986	--	1,251	(1,503)
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	23,190	17,051	331	--	(5,808)
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	31,758	2,603	5,274	--	(23,881)
KENNER NAVAL MUSEUM COMMISSION	2	--	--	--	(2)
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	20,339	2,513	7,569	10	(10,247)
LOUISIANA CANCER RESEARCH CENTER	17,538	--	43,203	--	25,665
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	32,223	1,661	--	--	(30,562)
LOUISIANA HOUSING FINANCE AGENCY	179,712	16,400	162,224	--	(1,088)
LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	977	574	223	--	(180)
LOUISIANA PUBLIC FACILITIES AUTHORITY **	2,736	3,619	--	--	883
METROPOLITAN HUMAN SERVICES DISTRICT	31,265	902	--	--	(30,363)
OTHER LEVEE DISTRICTS	52,846	68	8,524	4,301	(39,953)
ROAD HOME CORPORATION	105,233	--	78,621	10,383	(16,229)
SABINE RIVER AUTHORITY	8,099	12,624	--	--	4,525
WHITE LAKE PRESERVATION, INCORPORATED	1	--	--	--	(1)
TOTAL NONMAJOR COMPONENT UNITS	$ 582,784	$ 71,183	$ 305,969	$ 15,945	$ (189,687)

	GENERAL REVENUES				
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	$ 300	$ 2,631	$ 1,015	$ 24,939	$ 25,954
CAPITAL AREA HUMAN SERVICES DISTRICT	17,621	9,587	(9,793)	4,293	(5,500)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	20,126	--	(1,900)	(1,803)	(3,703)
GREATER BATON ROUGE PORT COMMISSION **	--	435	(1,068)	64,903	63,835
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	--	5,280	(528)	84,642	84,114
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	23,064	33	(784)	3,606	2,822
KENNER NAVAL MUSEUM COMMISSION	--	2	--	1	1
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	--	43,105	32,858	58,239	91,097
LOUISIANA CANCER RESEARCH CENTER	--	269	25,934	45,591	71,525
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	7,200	9,224	(14,138)	102,665	88,527
LOUISIANA HOUSING FINANCE AGENCY	--	17,050	15,962	211,681	227,643
LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	--	4	(176)	2,520	2,344
LOUISIANA PUBLIC FACILITIES AUTHORITY **	--	398	1,281	25,161	26,442
METROPOLITAN HUMAN SERVICES DISTRICT	28,120	1,431	(812)	(1,921)	(2,733)
OTHER LEVEE DISTRICTS	1,475	47,624	9,146	182,077	191,223
ROAD HOME CORPORATION	--	--	(16,229)	193,409	177,180
SABINE RIVER AUTHORITY	--	857	5,382	56,956	62,338
WHITE LAKE PRESERVATION, INCORPORATED	--	--	(1)	16	15
TOTAL NONMAJOR COMPONENT UNITS	$ 97,906	$ 137,930	$ 46,149	$ 1,056,975	$ 1,103,124

* For the period ending October 31, 2009.

** For the period ending December 31, 2009.


STATE OF LOUISIANA
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CONFIDENCE

III. STATISTICAL SECTION

Statistical Section Index

This part of the Louisiana comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Louisiana's overall financial health.

Contents **Page**

Financial Trends **180**
These schedules contain trend information to help the reader understand how Louisiana's financial performance and well-being have changed over time.

Revenue Capacity **190**
These schedules contain information to help the reader assess Louisiana's most significant state revenue source, income tax.

Debt Capacity **194**
These schedules present information to help the reader assess the affordability of Louisiana's current levels of outstanding debt and Louisiana's ability to issue additional debt in the future.

Demographic and Economic Information **199**
These schedules offer demographic and economic indicators to help the reader understand the environment within which Louisiana's financial activities take place.

Operating Information **201**
These schedules contain service and infrastructure data to help the reader understand how the information in Louisiana's financial report relates to the services Louisiana provides and the activities it performs.

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
GOVERNMENTAL ACTIVITIES				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 14,737,911	$ 14,091,358	$ 12,780,381	$ 11,841,240
RESTRICTED	5,096,314	5,489,526	5,214,389	5,504,064
UNRESTRICTED	(2,318,148)	(1,059,178)	682,749	379,890
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS	$ 17,516,077	$ 18,521,706	$ 18,677,519	$ 17,725,194
BUSINESS-TYPE ACTIVITIES				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 170,960	$ 119,033	$ 19,755	$ 22,290
RESTRICTED	1,048,285	1,417,455	1,572,760	1,476,729
UNRESTRICTED	772,984	964,436	940,801	905,398
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS	$ 1,992,229	$ 2,500,924	$ 2,533,316	$ 2,404,417
PRIMARY GOVERNMENT				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 14,908,871	$ 14,210,391	$ 12,800,136	$ 11,863,530
RESTRICTED	6,144,599	6,906,981	6,787,149	6,980,793
UNRESTRICTED	(1,545,164)	(94,742)	1,623,550	1,285,288
TOTAL PRIMARY GOVERNMENT NET ASSETS	$ 19,508,306	$ 21,022,630	$ 21,210,835	$ 20,129,611

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 11,304,859	$ 10,982,851	$ 10,438,398	$ 9,963,831	$ 9,844,678
6,988,644	6,825,025	5,750,785	5,513,915	5,313,419
(3,460,580)	(4,449,263)	(4,065,966)	(2,982,946)	(2,881,310)
$ 14,832,923	$ 13,358,613	$ 12,123,217	$ 12,494,800	$ 12,276,787
$ 22,353	$ 20,251	$ 21,512	$ 22,036	$ 46,716
1,407,337	1,547,700	1,573,788	1,602,480	1,648,089
467,360	433,632	397,431	369,811	348,715
$ 1,897,050	$ 2,001,583	$ 1,992,731	$ 1,994,327	$ 2,043,520
$ 11,327,212	$ 11,003,102	$ 10,459,910	$ 9,985,867	$ 9,891,394
8,395,981	8,372,725	7,324,573	7,116,395	6,961,508
(2,993,220)	(4,015,631)	(3,668,535)	(2,613,135)	(2,532,595)
$ 16,729,973	$ 15,360,196	$ 14,115,948	$ 14,489,127	$ 14,320,307

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
EXPENSES				
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	$ 5,896,826	$ 6,972,403	$ 8,693,766	$ 7,492,929
CULTURE, RECREATION, AND TOURISM	86,845	122,928	148,178	100,246
TRANSPORTATION AND DEVELOPMENT	1,111,846	1,286,404	1,052,169	889,606
PUBLIC SAFETY	349,369	371,326	331,086	337,962
HEALTH AND WELFARE	10,248,151	9,671,816	8,615,435	7,626,096
CORRECTIONS	686,957	727,095	649,858	540,284
YOUTH SERVICES	152,562	170,678	165,840	121,335
CONSERVATION AND ENVIRONMENT	595,690	499,648	439,009	331,891
EDUCATION	6,599,451	7,136,960	6,871,321	6,085,878
OTHER	45,821	66,424	43,217	40,008
INTERGOVERNMENTAL	398,377	485,875	540,505	182,741
INTEREST ON LONG-TERM DEBT	299,326	304,763	297,201	296,223
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	26,471,221	27,816,320	27,847,585	24,045,199
BUSINESS-TYPE ACTIVITIES:				
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	160,427	--	--	--
UNEMPLOYMENT TRUST FUND	985,779	455,910	189,095	185,308
NONMAJOR ENTERPRISE FUNDS	344,750	335,166	333,801	307,483
TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES	1,490,956	791,076	522,896	492,791
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 27,962,177	$ 28,607,396	$ 28,370,481	$ 24,537,990
PROGRAM REVENUES				
GOVERNMENTAL ACTIVITIES:				
CHARGES FOR SERVICES				
GENERAL GOVERNMENT	$ 1,962,589	$ 2,029,900	$ 2,063,639	$ 2,116,712
CULTURE, RECREATION, AND TOURISM	17,281	8,984	33,232	34,932
TRANSPORTATION AND DEVELOPMENT	70,665	230,874	222,756	197,283
PUBLIC SAFETY	280,500	303,813	306,615	273,481
HEALTH AND WELFARE	295,799	215,112	278,254	266,603
CORRECTIONS	38,520	39,018	32,553	41,657
YOUTH SERVICES	--	7,827	584	1,073
CONSERVATION AND ENVIRONMENT	688,756	905,157	1,046,365	841,171
EDUCATION	60,329	41,544	31,158	30,058
INTERGOVERNMENTAL	1,425	1,244	1,246	1,027
OPERATING GRANTS AND CONTRIBUTIONS	11,138,352	11,068,209	8,848,637	8,962,433
CAPITAL GRANTS AND CONTRIBUTIONS	2,526,649	3,010,693	5,405,015	3,964,479
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	17,080,865	17,862,375	18,270,054	16,730,909
BUSINESS-TYPE ACTIVITIES:				
CHARGES FOR SERVICES				
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	183,576	--	--	--
UNEMPLOYMENT TRUST FUND	245,023	227,260	237,406	249,631
NONMAJOR ENTERPRISE FUNDS	465,146	475,022	468,369	447,678
OPERATING GRANTS AND CONTRIBUTIONS	412,463	99,339	2,695	3,800
CAPITAL GRANTS AND CONTRIBUTIONS	68,045	86,934	41,003	19,355
TOTAL BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES	1,374,253	888,555	749,473	720,464
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 18,455,118	$ 18,750,930	$ 19,019,527	$ 17,451,373

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

(Continued)

2006	2005	2004	2003	2002
$ 4,806,262	$ 2,655,471	$ 2,620,442	$ 2,726,764	$ 2,392,167
66,927	69,415	63,512	69,659	71,718
1,054,044	835,901	820,757	807,856	746,564
301,338	271,118	225,307	291,283	289,396
7,412,815	7,458,289	7,267,104	6,805,797	6,755,431
550,627	664,961	640,371	625,391	609,607
116,975	--	--	--	--
283,692	297,097	289,712	274,926	298,436
5,514,318	5,310,194	5,162,768	4,789,472	4,425,915
26,251	33,833	16,048	4,793	2,042
1,037,043	375,373	354,846	362,099	322,025
230,976	216,750	216,514	149,798	117,769
21,401,268	18,188,402	17,677,381	16,907,838	16,031,070
--	--	--	--	--
823,987	264,458	338,910	372,160	307,878
298,879	274,268	327,375	297,902	303,784
1,122,866	538,726	666,285	670,062	611,662
$ 22,524,134	$ 18,727,128	$ 18,343,666	$ 17,577,900	$ 16,642,732
$ 2,017,870	$ 1,905,839	$ 1,597,757	$ 1,717,172	$ 1,161,310
30,531	29,145	27,435	23,696	5,453
79,099	136,642	65,507	74,451	60,849
276,020	271,052	252,990	253,206	264,066
187,920	305,674	581,160	533,205	968,463
33,926	33,407	36,376	36,878	33,645
513	--	--	--	--
653,286	647,685	618,354	513,999	465,156
49,735	39,783	50,026	23,496	36,663
954	1,396	1,273	1,265	1,187
9,323,509	7,052,411	6,914,691	6,369,929	5,858,641
978,072	520,376	552,527	578,082	492,072
13,631,435	10,943,410	10,698,096	10,125,379	9,347,505
--	--	--	--	--
264,349	267,602	255,914	252,430	232,828
422,489	385,309	445,427	412,562	396,212
419,438	7,104	46,221	70,249	142,735
16,588	21,188	30,344	15,221	22,473
1,122,864	681,203	777,906	750,462	794,248
$ 14,754,299	$ 11,624,613	$ 11,476,002	$ 10,875,841	$ 10,141,753

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
NET (EXPENSE) REVENUE				
GOVERNMENTAL ACTIVITIES	$ (9,390,356)	$ (9,953,945)	$ (9,577,531)	$ (7,314,290)
BUSINESS-TYPE ACTIVITIES	(116,703)	97,479	226,577	227,673
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (9,507,059)	$ (9,856,466)	$ (9,350,954)	$ (7,086,617)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS				
GOVERNMENTAL ACTIVITIES:				
INCOME TAXES	$ 2,491,144	$ 3,630,547	$ 3,869,834	$ 4,140,496
SALES TAXES	2,560,775	3,016,254	3,147,604	3,059,073
SEVERANCE TAXES *	776,464	876,579	1,095,244	916,125
GASOLINE TAXES, restricted for transportation	624,554	599,192	604,683	617,498
TOBACCO TAXES	135,927	105,469	96,314	104,051
MISCELLANEOUS TAXES *	657,962	762,360	806,213	820,904
TOBACCO SETTLEMENT, restricted for education, health and welfare	142,279	71,966	64,294	61,016
GAMING	668,235	715,443	742,518	726,165
UNRESTRICTED INVESTMENT EARNINGS	(9,301)	(12,169)	(3,601)	6,071
MISCELLANEOUS	338	330	310	6,105
OTHER	6,873	134,502	141,410	13,337
EXTRAORDINARY ITEM - loss on impairment of capital assets	--	(2,406)	--	--
TRANSFERS	141,615	142,066	132,219	(270,126)
TOTAL GOVERNMENTAL ACTIVITIES	8,196,865	10,040,133	10,697,042	10,200,715
BUSINESS-TYPE ACTIVITIES:				
OTHER	21,732	7,450	12,784	9,568
EXTRAORDINARY ITEM - gain (loss) on impairment of capital assets	--	--	--	--
TRANSFERS	(141,615)	(142,066)	(132,219)	270,126
TOTAL BUSINESS-TYPE ACTIVITIES	(119,883)	(134,616)	(119,435)	279,694
TOTAL PRIMARY GOVERNMENT	$ 8,076,982	$ 9,905,517	$ 10,577,607	$ 10,480,409
CHANGE IN NET ASSETS				
GOVERNMENTAL ACTIVITIES	$ (1,193,491)	$ 86,188	$ 1,119,511	$ 2,886,425
BUSINESS-TYPE ACTIVITIES	(236,586)	(37,137)	107,142	507,367
TOTAL PRIMARY GOVERNMENT	$ (1,430,077)	$ 49,051	$ 1,226,653	$ 3,393,792

* Miscellaneous taxes have been revised to include franchise taxes and exclude severance taxes for previous fiscal years.

(Concluded)

2006	2005	2004	2003	2002
$ (7,769,833)	$ (7,244,992)	$ (6,979,285)	$ (6,782,459)	$ (6,683,565)
(2)	142,477	111,621	80,400	182,586
$ (7,769,835)	$ (7,102,515)	$ (6,867,664)	$ (6,702,059)	$ (6,500,979)
$ 3,129,906	$ 3,030,085	$ 2,457,114	$ 2,022,765	$ 2,054,025
3,108,824	2,483,101	2,455,444	2,489,153	2,605,908
714,279	681,836	540,205	427,436	497,652
621,683	590,286	559,274	446,706	481,562
96,872	105,476	102,231	82,217	128,570
660,619	689,039	583,789	663,339	759,921
50,102	57,249	58,987	66,234	1,135,519
711,378	624,271	596,693	578,152	547,695
25,739	4,127	28,518	76,586	99,150
--	8,940	18,682	114,379	63,613
23,924	14,148	--	786	49
(24,464)	--	--	--	--
119,977	108,582	120,808	108,596	108,411
9,238,839	8,397,140	7,521,745	7,076,349	8,482,075
13,505	3,232	4,824	8,297	22,803
186	--	--	--	--
(119,977)	(108,582)	(120,808)	(108,596)	(108,411)
(106,286)	(105,350)	(115,984)	(100,299)	(85,608)
$ 9,132,553	$ 8,291,790	$ 7,405,761	$ 6,976,050	$ 8,396,467
$ 1,469,006	$ 1,152,148	$ 542,460	$ 293,890	$ 1,798,510
(106,288)	37,127	(4,363)	(19,899)	96,978
$ 1,362,718	$ 1,189,275	$ 538,097	$ 273,991	$ 1,895,488

FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
GENERAL FUND				
RESERVED	$ 1,013,749	$ 856,166	$ 790,670	$ 620,540
UNRESERVED	(49,333)	802,611	840,256	1,157,981
TOTAL GENERAL FUND	$ 964,416	$ 1,658,777	$ 1,630,926	$ 1,778,521
ALL OTHER GOVERNMENTAL FUNDS				
RESERVED	$ 3,048,357	$ 3,136,568	$ 3,948,806	$ 4,653,805
UNRESERVED, REPORTED IN:				
SPECIAL REVENUE FUNDS	3,586,804	4,447,259	4,634,052	4,256,788
DEBT SERVICE FUNDS	614	1,534	8,645	1,399
CAPITAL PROJECTS FUNDS	243	636	849	383
PERMANENT FUNDS	1,431,269	1,369,402	1,309,646	1,258,805
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 8,067,287	$ 8,955,399	$ 9,901,998	$ 10,171,180

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 340,384	$ 312,266	$ 298,138	$ 327,878	$ 424,998
442,346	264,185	(10,998)	18,330	(33,953)
$ 782,730	$ 576,451	$ 287,140	$ 346,208	$ 391,045
$ 2,250,615	$ 2,744,131	$ 2,055,580	$ 2,249,286	$ 2,087,078
3,383,163	2,880,995	2,389,374	2,106,328	1,929,626
--	--	--	2,859	3,042
21	157	204	366	297
1,209,392	1,207,338	1,140,736	1,128,191	1,032,244
$ 6,843,191	$ 6,832,621	$ 5,585,894	$ 5,487,030	$ 5,052,287

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
REVENUES				
INTERGOVERNMENTAL REVENUES	$ 13,469,624	$ 14,053,062	$ 14,192,359	$ 13,389,561
TAXES	7,462,892	8,936,444	9,575,194	9,655,262
GAMING	671,527	719,530	746,993	730,812
TOBACCO SETTLEMENT	146,841	175,503	160,626	138,124
USE OF MONEY AND PROPERTY	1,007,980	1,163,356	1,516,763	1,242,707
LICENSES, PERMITS, AND FEES	633,600	637,350	629,226	604,204
SALES OF COMMODITIES AND SERVICES	933,549	1,073,318	1,067,478	1,074,537
OTHER	706,121	547,335	542,653	587,956
TOTAL REVENUES	25,032,134	27,305,898	28,431,292	27,423,163
EXPENDITURES				
GENERAL GOVERNMENT	4,911,766	6,435,832	8,172,304	6,473,720
CULTURE, RECREATION, AND TOURISM	71,088	97,709	129,615	92,220
TRANSPORTATION AND DEVELOPMENT	424,007	438,634	433,359	385,408
PUBLIC SAFETY	296,083	305,054	290,245	321,763
HEALTH AND WELFARE	9,497,394	9,372,783	8,330,132	7,564,017
CORRECTIONS	612,723	666,542	606,876	535,772
YOUTH SERVICES	138,506	154,821	155,475	120,926
CONSERVATION AND ENVIRONMENT	463,913	368,850	324,512	274,861
EDUCATION	6,319,886	6,713,924	6,587,432	5,940,907
OTHER	273,669	263,915	296,703	264,145
INTERGOVERNMENTAL	491,143	584,944	674,639	572,363
CAPITAL OUTLAY	2,384,130	2,941,236	2,254,867	1,696,915
DEBT SERVICE:				
PRINCIPAL RETIREMENT	268,705	266,108	233,460	214,559
INTEREST AND FISCAL CHARGES	299,609	305,184	297,543	296,431
TOTAL EXPENDITURES	26,452,622	28,915,536	28,787,162	24,754,007
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,420,488)	(1,609,638)	(355,870)	2,669,156
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	17,218,705	18,247,948	20,460,820	20,778,329
TRANSFERS OUT	(17,077,090)	(18,105,772)	(20,328,601)	(21,048,455)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	(125,997)	--	(71,593)	--
LONG-TERM DEBT ISSUED	399,019	424,026	74,129	1,927,456
OTHER	--	3,585	11,081	4,681
TOTAL OTHER FINANCING SOURCES (USES)	414,637	569,787	145,836	1,662,011
NET CHANGES IN FUND BALANCES	$ (1,005,851)	$ (1,039,851)	$ (210,034)	$ 4,331,167
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.5%	2.3%	2.1%	2.3%

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 9,727,962	$ 7,669,450	$ 7,313,906	$ 6,824,065	$ 6,237,834
8,118,548	7,618,194	6,719,543	6,292,535	6,546,634
715,446	628,757	601,762	582,795	552,734
131,952	142,794	141,653	66,234	1,135,519
710,240	849,292	557,457	827,233	565,457
588,034	592,363	568,391	546,596	534,581
1,320,721	983,254	905,207	910,719	759,136
437,717	576,553	889,689	773,508	1,191,539
21,750,620	19,060,657	17,697,608	16,823,685	17,523,434
4,373,467	2,300,964	2,172,105	2,121,596	1,872,348
61,264	64,548	60,370	60,647	59,745
350,486	356,665	330,164	323,289	303,177
303,951	272,785	256,403	221,504	223,170
7,386,464	7,408,900	7,061,555	6,625,988	6,704,422
542,143	651,974	623,629	611,685	594,467
115,369	--	--	--	--
235,235	244,059	240,743	234,402	219,965
5,253,731	5,077,793	4,929,255	4,674,987	4,335,452
211,181	220,012	210,800	167,133	233,735
850,151	477,374	445,930	447,504	400,549
1,621,367	1,184,140	1,126,958	1,159,534	1,009,660
131,835	212,956	247,278	352,402	248,329
231,146	216,152	206,990	152,569	115,544
21,667,790	18,688,322	17,912,180	17,153,240	16,320,563
82,830	372,335	(214,572)	(329,555)	1,202,871
17,110,073	14,846,799	13,211,047	12,737,089	14,067,966
(16,990,096)	(14,735,078)	(13,090,239)	(12,628,493)	(13,959,551)
--	(710,543)	--	--	--
--	1,807,149	--	588,684	296,825
4,534	(58,430)	2,475	3,654	8,093
124,511	1,149,897	123,283	700,934	413,333
$ 207,341	$ 1,522,232	$ (91,289)	$ 371,379	$ 1,616,204
1.9%	2.5%	2.8%	3.2%	2.4%

State of Louisiana

INDIVIDUAL INCOME TAX
(by adjusted gross income bracket)
LAST FOUR FISCAL YEARS

Adjusted Gross Income Class	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Fiscal Year 2009				
Less than $0	7,023	0.35%	$ 92,927	0.00%
$0	90,927	4.58%	2,792,336	0.09%
$1 - 25,000	752,959	37.89%	108,193,148	3.67%
$25,001 - 50,000	463,147	23.30%	358,010,146	12.13%
$50,001 - 75,000	258,947	13.03%	389,736,911	13.21%
$75,001 - 100,000	160,734	8.09%	378,927,045	12.84%
Greater than $100,001	253,658	12.76%	1,713,765,336	58.06%
Totals	1,987,395	100.00%	$ 2,951,517,849	100.00%
Fiscal Year 2008				
Less than $0	6,413	0.32%	$ 206,752	0.00%
$0	96,901	4.87%	1,469,695	0.05%
$1 - 25,000	777,344	39.08%	109,120,876	3.76%
$25,001 - 50,000	462,103	23.24%	357,596,517	12.31%
$50,001 - 75,000	255,880	12.87%	389,125,059	13.39%
$75,001 - 100,000	155,809	7.83%	373,887,537	12.87%
Greater than $100,001	234,532	11.79%	1,674,295,571	57.62%
Totals	1,988,982	100.00%	$ 2,905,702,007	100.00%
Fiscal Year 2007				
Less than $0	8,489	0.44%	$ 156,734	0.00%
$0	91,391	4.73%	866,990	0.03%
$1 - 25,000	785,245	40.67%	110,039,043	4.16%
$25,001 - 50,000	445,197	23.06%	355,021,171	13.42%
$50,001 - 75,000	247,248	12.80%	394,310,036	14.90%
$75,001 - 100,000	147,899	7.66%	375,040,772	14.17%
Greater than $100,001	205,478	10.64%	1,410,540,689	53.32%
Totals	1,930,947	100.00%	$ 2,645,975,435	100.00%
Fiscal Year 2006				
Less than $0	3,179	0.19%	$ --	0.00%
$0	49,542	3.02%	630,088	0.03%
$1 - 25,000	743,561	45.34%	100,690,392	5.44%
$25,001 - 50,000	386,812	23.59%	302,996,392	16.36%
$50,001 - 75,000	204,678	12.48%	320,256,923	17.30%
$75,001 - 100,000	114,525	6.98%	286,814,171	15.49%
Greater than $100,001	137,531	8.40%	840,351,278	45.38%
Totals	1,639,828	100.00%	$ 1,851,739,244	100.00%

Note: Ten years are required; however, only four fiscal years since the publication of information.

Source: Louisiana Department of Revenue and Taxation

PERSONAL INCOME - EARNINGS BY MAJOR INDUSTRY
LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

	2009	2008	2007	2006	2005
Private earnings:					
Health Care and Social Assistance	$ 12,247,791	$ 11,635,605	$ 10,858,334	$ 10,115,201	$ 9,926,712
Professional, Scientific, and Technical	8,156,865	8,312,362	7,486,155	6,826,905	6,097,803
Mining	7,222,814	8,119,855	5,787,667	5,864,975	4,754,011
Construction	9,552,079	9,993,692	9,508,852	8,740,509	7,286,484
Retail Trade	7,326,500	7,535,722	7,744,462	7,546,051	6,953,141
Transportation and Warehousing	5,625,326	5,920,279	5,550,298	5,101,352	4,635,696
Manufacturing - Durable goods	4,996,495	5,468,365	5,408,224	4,985,639	4,493,627
Manufacturing - Nondurable goods	6,501,021	6,494,728	6,054,758	6,045,464	5,799,226
Wholesale Trade	5,065,263	5,318,695	5,154,869	4,809,101	4,438,826
Farm	833,800	786,867	828,479	721,221	713,911
Finance and Insurance	4,294,107	4,399,740	4,402,229	4,242,098	4,138,379
Other Services	22,324,192	22,951,905	21,884,804	20,469,294	19,753,321
Government and government enterprises:					
Federal, Civilian	3,139,003	3,055,825	2,910,690	2,900,953	2,871,868
Military	2,733,951	2,553,824	2,346,169	2,233,770	2,354,746
State and Local	17,656,744	17,068,069	15,547,958	14,279,615	14,463,357
Total Personal Income-					
Earnings by Major Industry	$ 117,675,951	$ 119,615,533	$ 111,473,948	$ 104,882,148	$ 98,681,108

	2004	2003	2002	2001	2000
Private earnings:					
Health Care and Social Assistance	$ 9,767,492	$ 9,059,510	$ 8,478,599	$ 7,933,518	$ 7,147,930
Professional, Scientific, and Technical	5,906,916	5,412,362	5,288,296	5,400,984	4,882,203
Mining	4,417,549	4,308,901	3,903,696	4,282,096	3,712,303
Construction	6,865,235	6,615,911	6,376,251	6,391,867	6,242,831
Retail Trade	6,714,091	6,527,018	6,229,731	5,944,834	5,585,011
Transportation and Warehousing	4,398,190	4,177,584	3,982,765	4,168,436	3,623,612
Manufacturing - Durable goods	4,430,189	4,378,471	4,107,496	4,063,864	3,856,617
Manufacturing - Nondurable goods	5,691,485	5,767,323	5,744,092	5,283,576	4,946,901
Wholesale Trade	4,249,075	4,000,414	3,866,444	3,716,750	3,592,025
Farm	822,360	860,755	424,004	654,374	619,422
Finance and Insurance	3,849,657	3,627,589	3,528,817	3,280,738	3,111,371
Other Services	19,154,051	18,055,960	17,574,522	16,888,805	15,668,074
Government and government enterprises:					
Federal, Civilian	2,766,813	2,613,268	2,510,959	2,383,138	2,361,959
Military	2,166,326	2,013,885	1,680,694	1,439,432	1,332,095
State and Local	13,811,689	13,159,760	12,303,482	11,477,040	10,857,996
Total Personal Income-					
Earnings by Major Industry	$ 95,011,118	$ 90,578,711	$ 85,999,848	$ 83,309,452	$ 77,540,350

Source: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis

TAX RATE BY MAJOR SOURCES OF REVENUE

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Alcoholic Beverage Taxes		
Beer Tax	Department of Revenue	$10 per 31-gallon barrel. This includes all alcoholic beverages with alcohol content of 6% or less and malt beverages with alcohol content more than 6%.
Liquor and Wine Tax	Department of Revenue	$0.66 per liter on liquor; $0.42 per liter on sparkling wine and still wines with alcoholic content more than 24%; $0.03 per liter on still wine with alcoholic content not more than 14%; $0.06 per liter on still wine with alcoholic content over 14% but not more than 24%.
Corporation Franchise Tax	Department of Revenue	The tax is currently assessed on the taxable base at the rate of $1.50 per $1,000 on the first $300,000 and $3.00 per $1,000 over $300,000. The minimum tax of $10 per year was repealed effective for franchise taxable period beginning on or after January 1, 2010.
Gasoline Tax	Department of Revenue	$0.20 per gallon. Petroleum Products Testing Fee – the fee for testing the quality and quantity of petroleum products is 4/32 cent per gallon.
Hazardous Liquid Pipeline Tax	Department of Natural Resources	Annual user fee of $22.40 per mile, or fraction thereof, of hazardous liquids pipeline operated.
Hazardous Waste Disposal Tax	Department of Revenue	$30 per dry-weight ton for waste disposed of on-site, $40 per dry-weight ton for waste disposed of off-site from where generated, and $100 per dry-weight ton on extremely hazardous waste disposed of in Louisiana.
Income Tax		
Corporate Income Tax	Department of Revenue	4% on the first $25,000 of net taxable income; 5% on the next $25,000; 6% on the next $50,000; 7% on the next $100,000; and 8% on all net taxable income in excess of $200,000.
Individual Income Tax	Department of Revenue	For taxable periods beginning after December 31, 2008, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first $12,500; 4% on the next $37,500, and 6% on the taxable income above $50,000. Married persons filing a joint return or qualifying surviving spouse are taxed at the following rates: 2% on the first $25,000; 4% on the next $75,000; and 6% on the taxable income above $100,000. The combined personal exemption and standard deduction is $4,500 for single individuals and married persons filing separately; $9,000 for married couples filing jointly, qualified surviving spouses, and heads of households. A dependency deduction of $1,000 is allowed for each dependent, each taxpayer and/or spouse who is 65 years of age or older, and for each taxpayer and/or spouse who is blind.
Inheritance Tax	Department of Revenue	Inheritance tax is repealed effective January 1, 2010. However, Act 822 of 2008, effective January 1, 2008, provides that inheritance taxes shall prescribe within three years from December 31st of the year in which the taxes become due. For deaths before July 1, 2004, the date that the taxes become due is determined by whether an inheritance tax return has been filed. If a return has been filed, the taxes become due nine months following death. But under Act 822, if a return was not filed, taxes become due January 1, 2008, and will prescribe January 1, 2011. For those deaths occurring before July 1, 2004, for which a return has been filed, the rates are as follows: A. Inheritances of a surviving spouse are totally exempt from the tax. B. Inheritances are taxed on all amounts that exceed the following exemption per heir or legatee: Class A (lineal descendants and ascendants), $25,000; Class B (collateral relationships such as brothers and sisters and their descendants), $1,000; Class C (nonrelated), $500. The tax rate for Class A is two percent of the first $20,000 of taxable value and three percent of amounts over $20,000 of taxable value. Class B is taxed at five percent of the first $20,000 of taxable value and at seven percent of amounts over $20,000 of taxable value. Class C is taxed at five percent of the first $5,000 of taxable value and at 10 percent of amounts over $5,000 of taxable value. C. For deaths occurring after June 30, 1998 and before July 1, 2001, the tax rates were reduced by eighteen percent; for deaths occurring after June 20, 2001, and before July 1, 2002, the tax rate shall be reduced by forty percent; for deaths occurring after June 30, 2002 and before July 1, 2003, the tax rates shall be reduced by sixty percent; for deaths occurring after June 30, 2003, and before July 1, 2004, the tax rates shall be reduced by eighty percent; and for deaths occurring after June 30, 2004, the tax shall not apply when judgment of possessions is rendered or when the succession is judicially opened no later than the last day of the ninth month following the death of the decedent.
Insurance Excise License Tax	Department of Insurance	A. The tax rate for life, accident, health and service is $140 for annual premiums up to $7,000 and $225 for each additional $10,000 or fraction thereof. B. The rate for fire, marine, transportation and casualty and surety is $185 for annual premiums up to $6,000 and $300 for each additional $10,000 or fraction thereof.

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Mineral Resources - Royalties and Bonuses	Department of Natural Resources	These are not taxes. However, all oil and gas leases provide for a bonus, which is bid on at the time the lease is given. Leasehold payments contained within the lease form, such as "delay rentals," "in-lieu royalty," and "deferred development" payments, and royalty which is bid on at the lease sale cannot, by statutory law, be less than 1/8th of the value of production. Mineral leases for solid mineral, such as sulfur, potash, salt, or lignite, provide for a royalty based on tonnage production at a market price paid per ton.
Motor Vehicle - Licenses and Fees	Department of Public Safety	A. The minimum vehicle registration license tax is $20 biannually for private passenger vehicles purchased before January 1, 1990. If purchased after January 1, 1990, the registration is based on the value of the vehicle – .1% of the value of the vehicle per year; with a minimum base of $10,000. The license plates are sold in two-year increments; therefore, the minimum price is $20.00. The registration fee is $40 (four-year increments) for trucks up to 6,000 pounds and the fees vary annually for trucks over 6,000 pounds depending on the use and the gross axle weight (usually from $10 to $480). B. Driver's license fees range from $21.50 to $36.00 for four years for drivers of private vehicles. Other driver's license fees may vary. C. A fee not to exceed $3 per service or transaction, at a local field office, enacted by LRS 32:429, is used solely to defray cost of operations of that office not fully funded by the State.
Natural Gas Franchise	Department of Revenue	1% of the gross receipts from the operation of franchises or charters in the State.
Sales Tax	Department of Revenue	4% sales tax is collected on the sale, use, consumption, distribution, or storage for use or consumption of any tangible personal property, on retail sales, leases, and rentals, and on certain sales of services including repairs of tangible personal property; 3% aggregate sales tax is collected on intrastate telecommunications and certain prepaid telephone services; effective April 1, 2004, the sales tax rate on interstate telecommunication services was reduced to 2%. Most statutory exemptions were partially and temporarily suspended from July 1, 1986, through June 30, 2009, and are currently taxed at the suspended rate of 1% except for sales of electricity, water, natural gas and steam for other than residential use.
Severance Tax	Department of Revenue	A. The tax on oil/condensate is based on the value. The full rate of oil/condensate is 12.5% of the value. The incapable oil rate is 6.25% of the value. The stripper oil rate is 3 1/8% of the value. Stripper oil is exempt as long as the average value is less than $20 per barrel. B. The severance tax on natural gas is based on per thousand cubic feet. The full rate is adjusted annually on July 1, and may never be less than 7 cents per thousand cubic feet. As of July 1, 2010, the full rate is $0.164 per thousand cubic feet at 15.025 pounds per square inch absolute. The rate on incapable oil well gas is $0.03 per thousand cubic feet. The rate on incapable gas well gas is $0.013 per thousand cubic feet. C. The tax rate on sulfur is $1.03 per long-ton (2,240 pounds). D. The tax rate on salt is $0.06 per ton. E. The tax rates on timber are 2.25% of stumpage value and 5% of stumpage value of pulpwood. F. The tax rate on shell and sand is $0.06 per ton. G. The tax rate on stone is $0.03 per ton. H. The tax rate on lignite is $0.12 per ton. I. The tax rate on marble is $0.20 per ton.
Special Fuels Tax	Department of Revenue	The tax on special fuels is levied at a rate of $0.20 per gallon on motor fuels other than gasoline. It is subject to the Petroleum Products Tesing Fee of 4/32 cents per gallon effective September 1, 2003.
Surface Mining and Reclamation Fee	Department of Revenue	The fee on coal and lignite mined in Louisiana is $0.08 per ton.
Tobacco Tax	Department of Revenue	An excise tax is imposed on the first dealer who handles a tobacco product in the State. Cigars invoiced up to $120 per thousand are taxed at 8% of the manufacturer's net invoice price, whereas cigars invoiced over $120 per thousand are taxed at 20% on the net invoice price. The tax rate on smoking tobacco is computed at 33% of the invoice price to wholesalers. The tax rate on smokeless tobacco is 20% of the invoice price. The tax rate on cigarettes is $0.018 per cigarette.
Transportation and Communications Utilities Tax	Department of Revenue	2% of the gross receipts from intrastate business.

LEGAL DEBT MARGIN AND DEBT LIMITATIONS
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
LEGAL DEBT MARGIN				
BOND AUTHORIZATION LIMITATION	$ 25,194,775	$ 26,856,498	$ 26,233,962	$ 24,443,616
TOTAL NET DEBT APPLICABLE TO LIMITATION	2,099,285	2,076,570	2,233,980	2,383,665
LEGAL DEBT MARGIN	$ 23,095,490	$ 24,779,928	$ 23,999,982	$ 22,059,951
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	8.33%	7.73%	8.52%	9.75%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2010

BSRF REVENUES (3 YEARS)	$ 37,792,162
DEBT LIMIT CALCULATION (Revenues divided by 3 times 2)	25,194,775
DEBT APPLICABLE TO LIMIT:	
GENERAL OBLIGATION BONDS	2,099,285
LEGAL DEBT MARGIN	$ 23,095,490

	2010	2009	2008	2007
TAX-SUPPORTED DEBT LIMITATION				
ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUE PER REVENUE ESTIMATING	$ 9,868,300	$ 11,144,900	$ 10,470,000	$ 8,949,200
PERCENTAGE ESTABLISHED PER LRS 39:1367	6.00%	6.00%	6.00%	6.00%
NET STATE TAX-SUPPORTED DEBT LIMIT	592,098	668,694	628,200	536,952
TOTAL NET STATE TAX-SUPPORTED DEBT PAID	$ 483,010	$ 421,408	$ 425,828	$ 432,818
PERCENTAGE OF ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUES PER REVENUE ESTIMATING	4.89%	3.78%	4.07%	4.84%
GENERAL OBLIGATION DEBT LIMITATION				
THREE YEAR AVERAGE BOND SECURITY REVENUES	$ 12,597,387	$ 13,428,249	$ 13,116,981	$ 12,221,817
PERCENTAGE DEBT LIMITATION	10.00%	10.00%	10.00%	10.00%
GENERAL OBLIGATION DEBT LIMITATION	1,259,739	1,342,825	1,311,698	1,222,182
HIGHEST CURRENT OR FUTURE ANNUAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	$ 322,987	$ 265,315	$ 265,766	$ 266,212
PERCENTAGE OF THE GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	25.64%	19.76%	20.26%	21.78%

2006	2005	2004	2003	2002	2001
$ 22,239,690	$ 20,693,990	$ 20,742,360	$ 20,458,126	$ 19,585,399	$ 17,373,270
2,038,810	2,121,610	1,846,790	2,010,977	2,000,590	1,941,026
$ 20,200,880	$ 18,572,380	$ 18,895,570	$ 18,447,149	$ 17,584,809	$ 15,432,244
9.16%	10.25%	8.90%	9.83%	10.21%	11.18%
$ 9,005,330	$ 8,325,500	$ 7,889,700	$ 7,837,100	$ 7,858,900	$ 7,556,100
6.00%	6.00%	6.00%	6.50%	6.40%	6.60%
540,320	499,530	473,382	509,412	502,970	498,703
$ 289,724	$ 348,715	$ 373,134	$ 479,909	$ 368,921	$ 311,714
3.22%	4.19%	4.73%	6.13%	4.70%	4.13%
$ 11,119,845	$ 10,346,995	$ 10,371,180	$ 10,229,060	$ 9,792,696	$ 8,686,635
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
1,111,985	1,034,700	1,037,118	1,022,906	979,270	868,664
$ 240,685	$ 240,685	$ 264,601	$ 268,395	$ 286,909	$ 309,553
21.64%	23.26%	25.51%	26.24%	29.30%	35.64%

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT COVERAGE RATIO)

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
PRIMARY GOVERNMENT:								
PUBLIC FACILITIES BONDS:								
Louisiana Correctional Facilities Corporation	2010	$ 931	$ 564	$ 367	$ 1,565	$ 943	$ 2,508	0.15
	2009	1,151	144	1,007	1,570	1,092	2,662	0.38
	2008	1,055	58	997	5,335	1,055	6,390	0.16
	2007	1,081	147	934	5,075	857	5,932	0.16
	2006	1,271	161	1,110	4,840	1,097	5,937	0.19
	2005	1,474	34	1,440	4,610	1,326	5,936	0.24
	2004	3,413	904	2,509	4,410	1,526	5,936	0.42
	2003	9,967	133	9,834	38,705	2,524	41,229	0.24
	2002	5,766	53	5,713	15,290	2,304	17,594	0.32
	2001	6,523	28	6,495	14,315	3,093	17,408	0.37
Office Facilities Corporation	2010	$ 35,008	$ 23,852	$ 11,156	$ 20,005	$ 9,742	$ 29,747	0.37
	2009	40,644	22,663	17,981	18,055	14,767	32,822	0.55
	2008	43,627	22,091	21,536	17,310	15,515	32,825	0.66
	2007	43,997	20,975	23,022	16,580	16,242	32,822	0.70
	2006	32,529	13,411	19,118	11,680	16,854	28,534	0.67
	2005	33,618	15,555	18,063	11,160	17,364	28,524	0.63
	2004	30,975	21,433	9,542	10,700	15,415	26,115	0.37
	2003	22,844	11,952	10,892	6,775	13,001	19,776	0.55
	2002	19,592	7,267	12,325	6,500	14,360	20,860	0.59
	2001	11,421	3,267	8,154	1,075	8,444	9,519	0.86
COMPONENT UNITS:								
HOUSING LOAN BONDS:								
Louisiana Housing Finance Authority	2010	$ 33,522	$ 13,155	$ 20,367	$ 2,145	$ 1,280	$ 3,425	5.95
	2009	23,462	14,236	9,226	6,572	2,924	9,496	0.97
	2008	17,807	12,284	5,523	12,390	4,055	16,445	0.34
	2007	21,931	10,405	11,526	21,140	2,795	23,935	0.48
	2006	18,716	12,599	6,117	39,965	2,843	42,808	0.14
	2005	14,398	7,494	6,904	4,005	4,299	8,304	0.83
	2004	11,956	7,967	3,989	1,625	604	2,229	1.79
	2003	13,630	6,445	7,185	465	569	1,034	6.95
INFRASTRUCTURE BONDS:								
Greater Baton Rouge Port Commission *	2010	$ --	$ --	$ --	$ --	$ --	$ --	--
	2009	--	--	--	--	--	--	--
	2008	--	--	--	--	--	--	--
	2007	--	--	--	--	--	--	--
	2006	--	--	--	--	--	--	--
	2005	4,980	4,919	61	320	433	753	0.08
	2004	4,827	4,025	802	300	455	755	1.06
	2003	5,280	3,850	1,430	285	477	762	1.88
	2002	6,391	4,136	2,255	270	499	769	2.93
	2001	4,899	3,217	1,682	260	520	780	2.16
Greater New Orleans Expressway Commission	2010	$ 22,662	$ 15,430	$ 7,232	$ 1,955	$ 2,785	$ 4,740	1.53
	2009	23,444	16,622	6,822	1,905	2,848	4,753	1.44
	2008	23,771	14,028	9,743	1,835	2,886	4,721	2.06
	2007	20,402	15,235	5,167	1,760	2,981	4,741	1.09
	2006	14,276	10,925	3,351	1,750	3,013	4,763	0.70
	2005	16,090	11,024	5,066	1,230	1,961	3,191	1.59
	2004	15,934	8,935	6,999	650	3,709	4,359	1.61
	2003	15,130	8,275	6,855	5,795	3,867	9,662	0.71
	2002	17,314	8,051	9,263	--	4,014	4,014	2.31
	2001	582	381	201	2,685	4,147	6,832	0.03

* Greater Baton Rouge Port Commission reclassified the bonds payable as notes payable in fiscal year 2005-2006.

Source: Office of Statewide Reporting and Accounting Policy

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
Levee Districts	2010	$ 73,854	$ 50,941	$ 22,913	$ 46,320	$ 2,942	$ 49,262	0.47
	2009	57,627	64,895	(7,268)	7,855	3,340	11,195	(0.65)
	2008	59,394	27,927	31,467	7,010	3,300	10,310	3.05
	2007	15,654	22,937	(7,283)	6,430	3,846	10,276	(0.71)
	2006	12,734	27,526	(14,792)	5,970	3,948	9,918	(1.49)
	2005	18,629	33,903	(15,274)	5,605	4,232	9,837	(1.55)
	2004	18,944	31,977	(13,033)	3,145	1,852	4,997	(2.61)
	2003	20,892	32,214	(11,322)	2,205	1,983	4,188	(2.70)
	2002	19,671	30,102	(10,431)	1,925	2,165	4,090	(2.55)
	2001	27,451	23,960	3,491	1,955	2,297	4,252	0.82
Sabine River Authority	2010	$ 12,628	$ 5,784	$ 6,844	$ 820	$ 191	$ 1,011	6.77
	2009	8,046	5,893	2,153	2,370	195	2,565	0.84
	2008	8,764	5,791	2,973	730	288	1,018	2.92
	2007	5,755	4,129	1,626	695	274	969	1.68
	2006	4,581	4,457	124	660	386	1,046	0.12
	2005	6,581	4,253	2,328	630	282	912	2.55
	2004	6,282	3,603	2,679	9,035	724	9,759	0.27
	2003	6,042	4,030	2,012	1,985	473	2,458	0.82
	2002	5,922	3,570	2,352	1,210	523	1,733	1.36
	2001	7,054	4,259	2,795	1,150	572	1,722	1.62
PUBLIC FACILITIES BONDS:								
Louisiana Agricultural Finance Authority	2010	$ 12,284	$ 5,106	$ 7,178	$ 2,222	$ 3,300	$ 5,522	1.30
	2009	14,764	6,980	7,784	17,222	10,976	28,198	0.28
	2008	10,563	7,529	3,034	300	4,684	4,984	0.61
	2007	7,474	10,286	(2,812)	--	1,171	1,171	(2.40)
	2006	22,866	14,270	8,596	7,608	266	7,874	1.09
	2005	4,624	5,364	(740)	841	929	1,770	(0.42)
	2004	5,791	6,379	(588)	275	72	347	(1.69)
	2003	1,937	3,679	(1,742)	7,275	79	7,354	(0.24)
	2002	1,590	2,946	(1,356)	820	116	936	(1.45)
	2001	2,416	2,983	(567)	785	152	937	(0.61)
Louisiana Stadium and Exposition District	2010	$ 81,538	$ 60,169	$ 21,369	$ --	$ 20,748	$ 20,748	1.03
	2009	73,602	55,384	18,218	--	8,692	8,692	2.10
	2008	36,530	55,347	(18,817)	--	5,193	5,193	(3.62)
	2007	25,569	37,868	(12,299)	--	6,904	6,904	(1.78)
	2006	7,404	19,517	(12,113)	4,580	9,586	14,166	(0.86)
	2005	25,130	43,596	(18,466)	4,545	9,820	14,365	(1.29)
	2004	30,597	45,581	(14,984)	4,120	9,663	13,783	(1.09)
	2003	32,112	48,331	(16,219)	3,905	9,876	13,781	(1.18)
	2002	29,466	43,045	(13,579)	3,710	10,076	13,786	(0.98)
	2001	29,079	39,838	(10,759)	3,520	10,264	13,784	(0.78)
STUDENT UNIVERSITY BONDS:								
Colleges and Universities	2010	$ 979,671	$ 4,951,958	$ (3,972,287)	$ 44,420	$ 60,966	$ 105,386	(37.69)
	2009	918,590	3,743,593	(2,825,003)	69,281	59,746	129,027	(21.89)
	2008	901,920	3,610,696	(2,708,776)	82,711	55,265	137,976	(19.63)
	2007	909,169	3,040,456	(2,131,287)	24,406	34,629	59,035	(36.10)
	2006	851,690	4,036,354	(3,184,664)	15,728	22,043	37,771	(84.32)
	2005	848,806	2,916,686	(2,067,880)	75,675	21,739	97,414	(21.23)
	2004	757,334	2,687,044	(1,929,710)	32,430	20,773	53,203	(36.27)
	2003	669,838	2,502,360	(1,832,522)	51,851	13,611	65,462	(27.99)
	2002	656,545	2,316,838	(1,660,293)	12,494	12,435	24,929	(66.60)

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL ACTIVITIES				
FISCAL YEAR	GENERAL OBLIGATION BONDS (1)	TIMED BONDS	TOBACCO SETTLEMENT FINANCING CORPORATION	OFFICE FACILITIES CORPORATION	OTHER (2)
2010	$ 3,667,101	$ 5,138,234	$ 1,173,903	$ 332,779	$ 530,876
2009	3,691,879	4,958,754	1,264,174	377,717	567,698
2008	3,563,209	4,060,540	1,373,742	410,538	156,536
2007	3,844,626	4,158,092	1,476,119	443,363	151,732
2006	2,844,454	1,568,930	1,563,849	476,186	168,891
2005	3,033,297	1,612,998	1,648,561	504,719	181,520
2004	2,608,149	494,088	1,740,216	350,468	198,675
2003	2,876,617	545,788	1,831,987	223,226	218,719
2002	2,778,041	67,807	1,941,223	238,129	92,415
2001	2,661,486	101,710	--	15,035	115,269

	BUSINESS-TYPE ACTIVITIES			
FISCAL YEAR	OFFICE FACILITIES CORPORATION (3)	OTHER (4)	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME
2010	$ --	$ 335,609	$ 11,178,502	* %
2009	--	251,041	11,111,263	1.64
2008	--	257,665	9,822,230	1.53
2007	--	267,600	10,341,532	1.68
2006	--	274,224	6,896,534	1.28
2005	--	277,889	7,258,984	1.61
2004	182,776	--	5,574,372	1.13
2003	155,826	851	5,853,014	1.26
2002	160,806	3,261	5,281,682	1.17
2001	399,228	5,468	3,298,196	0.75

(1) General Obligation Bonds less Reimbursable Contracts

(2) Includes Crescent City Connection, Health Education Authority, LA Correctional Facilities Corporation, Public Safety LPFA, LA Agricultural Finance Authority, Parish Road Fund (2001-2003), LPFA-Industrial Development Board of the City of New Orleans, and LPFA-Hurricane Recovery Revenue Bonds

(3) Part of Office Facilities Corporation was an enterprise fund, then reclassified to a governmental fund in fiscal year 2004-2005.

(4) Includes the Louisiana Transportation Authority, Drinking Water Revolving Loan Fund (2001-2006), and Louisiana Opportunity Loan Fund (2001-2004).

* Information not yet available

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

YEAR	POPULATION (A)(B)(1)(2)	PERSONAL INCOME (A)(2)	PER CAPITA PERSONAL INCOME (C)(2)	MEDIAN AGE (1)
2009	4,492	$ 168,544,450	$ 37,520	35.4
2008	4,411	160,658,930	36,424	35.6
2007	4,293	153,569,577	35,770	35.6
2006	4,288	134,504,614	31,369	35.7
2005	4,524	111,200,646	24,582	35.2
2004	4,516	122,913,214	27,581	34.9
2003	4,496	116,176,096	26,038	34.7
2002	4,483	112,709,180	25,370	34.5
2001	4,465	110,256,197	24,084	34.3
2000	4,469	103,150,742	23,041	34.0

YEAR	CIVILIAN LABOR FORCE (A)(1)	LOUISIANA UNEMPLOYMENT RATE (1)	U.S. UNEMPLOYMENT RATE (1)
2009	2,068	6.8%	9.3%
2008	2,079	4.6	5.8
2007	1,998	3.8	4.6
2006	1,990	4.0	4.6
2005	2,077	6.7	5.1
2004	2,058	5.7	5.5
2003	2,037	6.6	6.0
2002	2,006	6.1	5.8
2001	2,050	6.0	4.8
2000	2,030	5.5	4.0

(A) Expressed in thousands
(B) Population figures are estimated by the U.S. Census Bureau and are revised yearly; however, only the original estimates are reported here
(C) Expressed in dollars

Sources: (1) U.S. Census Bureau
(2) Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2010 EMPLOYERS	RANGE
STATE OF LOUISIANA (1)	50,000+
LOUISIANA STATE UNIVERSITY SYSTEM (2)	25,000+
OSCHNER HEALTH SYSTEM	10,000+
UNIVERSITY OF LOUISIANA SYSTEM (2)	5,000 - 9,999
NORTHROP GRUMMAN SHIP SYSTEMS	5,000 - 9,999
EAST JEFFERSON HOSPITAL	5,000 - 9,999
LAFAYETTE MEDICAL CENTER	5,000 - 9,999
OUR LADY OF THE LAKE MEDICAL CENTER	5,000 - 9,999
TULANE UNIVERSITY	5,000 - 9,999
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM (2)	5,000 - 9,999
WILLIS KNIGHTON HEALTH SYSTEM	1,000 - 4,999
US POST OFFICE	1,000 - 4,999
SOUTHERN UNIVERSITY SYSTEM (2)	1,000 - 4,999
HARRAH'S ENTERTAINMENT	1,000 - 4,999
NORTH OAKS HEALTH SYSTEM	1,000 - 4,999

2001 EMPLOYERS *
WAL-MART STORES, INC.
WINN DIXIE LOUISIANA, INC.
AVONDALE INDUSTRIES, INC.
BURGER KING, CORP.
THE HIBERNIA NATIONAL BANK
EXXON CORPORATION
BELLSOUTH TELECOMMUNICATIONS
SEARS ROEBUCK & CO.
K MART CORPORATION
THE SHAW GROUP, INC.
WILLIS-KNIGHTON MEDICAL CENTER, INC.
GENERAL HEALTH, INC.
DILLARDS DEPARTMENT STORES, INC.
OUR LADY OF THE LAKE MEDICAL CENTER
ALTON OCHSNER FOUNDATION HOSPITAL

* 2001 employer list is from the Office of Statewide Reporting and Accounting Policy archive files - range information not available and limited to private employers.

(1) Government - Primary

(2) Government - Component Unit

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2010	2009	2008	2007	2006
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	26	25	25	24	24
STATE PARKS (ACREAGE)	34,215	32,428	32,181	30,984	30,984
STATE HISTORIC SITES	22	20	20	20	20
STATE HISTORIC SITES (ACREAGE)	2,676	2,557	2,557	2,539	2,539
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,678	16,682	16,685	16,691	16,691
PARISH ROADS (MILES)	33,580	31,560	33,366	33,280	33,319
CITY STREETS (MILES)	11,056	12,836	11,010	10,949	10,935
BRIDGES ON STATE HIGHWAYS	7,984	7,934	7,931	7,914	7,889
BRIDGES OFF STATE HIGHWAYS	5,182	5,520	5,226	5,261	5,292
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

	2005	2004	2003	2002	2001
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	24	24	24	23	23
STATE PARKS (ACREAGE)	30,984	30,984	30,664	27,649	26,907
STATE HISTORIC SITES	21	21	21	21	22
STATE HISTORIC SITES (ACREAGE)	2,617	2,617	2,617	2,617	2,620
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,697	16,694	16,699	16,706	16,698
PARISH ROADS (MILES)	33,332	33,311	33,311	33,223	33,220
CITY STREETS (MILES)	10,921	10,932	10,907	10,898	10,899
BRIDGES ON STATE HIGHWAYS	7,899	7,887	7,875	7,869	7,928
BRIDGES OFF STATE HIGHWAYS	5,307	5,336	5,374	5,405	5,612
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

Sources: 1. Louisiana Department of Culture, Recreation, and Tourism, Office of Tourism and Office of State Parks
2. Louisiana Department of Transportation and Development, Traffic and Planning Section and Bridge Maintenance Section
3. Louisiana Department of Public Safety and Corrections, Office of State Police

LOUISIANA STATE EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

	2010	2009	2008	2007
GENERAL GOVERNMENT				
CLASSIFIED	6,691	6,410	6,456	6,322
UNCLASSIFIED	3,850	4,056	4,036	4,273
CULTURE, RECREATION, AND TOURISM				
CLASSIFIED	659	667	690	665
UNCLASSIFIED	525	567	562	406
TRANSPORTATION AND DEVELOPMENT				
CLASSIFIED	4,479	4,668	4,536	4,641
UNCLASSIFIED	98	144	171	122
PUBLIC SAFETY				
CLASSIFIED	2,811	2,836	2,827	2,833
UNCLASSIFIED	156	111	88	96
HEALTH AND WELFARE				
CLASSIFIED	15,084	16,965	16,875	16,835
UNCLASSIFIED	1,368	1,455	1,509	1,341
CORRECTIONS				
CLASSIFIED	5,684	6,145	6,136	5,902
UNCLASSIFIED	140	147	331	334
YOUTH SERVICES *				
CLASSIFIED	971	1,012	1,039	1,005
UNCLASSIFIED	93	155	203	179
CONSERVATION AND ENVIRONMENT				
CLASSIFIED	2,006	2,166	2,152	2,162
UNCLASSIFIED	160	183	177	177
EDUCATION				
CLASSIFIED	1,004	1,140	1,158	1,133
UNCLASSIFIED	2,446	2,923	3,017	2,331
COLLEGES AND UNIVERSITIES				
CLASSIFIED	17,478	18,209	17,931	17,076
UNCLASSIFIED	26,899	27,807	27,813	26,613
OTHER				
CLASSIFIED	1,545	1,794	1,793	1,830
UNCLASSIFIED	953	926	973	979
TOTAL	95,100	100,486	100,473	97,255

* Office of Youth Services moved from Corrections in FY 2006.

Source: Louisiana Department of State Civil Service

2006	2005	2004	2003	2002
6,138	6,414	6,282	6,343	6,287
4,229	4,165	4,030	4,082	4,027
594	715	722	708	754
352	676	664	665	685
4,705	5,005	5,168	5,228	5,181
96	92	103	105	91
2,835	2,890	2,892	2,834	2,762
85	93	125	113	112
16,373	17,688	17,687	17,840	17,672
1,030	1,091	1,020	1,010	1,000
5,794	7,370	7,378	7,660	7,701
256	546	583	536	569
1,029	--	--	--	--
175	--	--	--	--
2,098	2,239	2,235	2,219	2,163
146	244	255	262	288
1,135	1,269	1,249	1,194	1,167
1,091	1,165	1,162	1,357	1,307
16,129	19,759	19,995	20,634	20,552
25,716	27,663	26,887	26,394	24,640
2,040	2,189	2,261	2,270	2,282
898	827	808	768	713
92,944	102,100	101,506	102,222	99,953

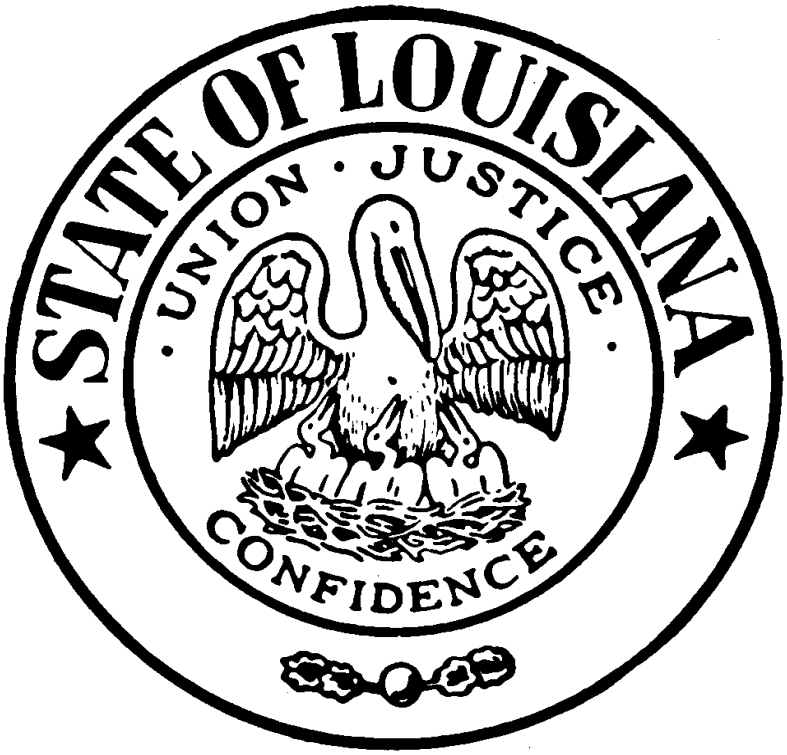
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

	2010	2009	2008	2007
GENERAL GOVERNMENT				
AGRICULTURE - CROPS (in thousands) - [1]	*	$1,761,590	$1,984,873	$1,768,902
AGRICULTURE - LIVESTOCK (in thousands) - [1]	*	$777,568	$1,049,816	$941,322
AGRICULTURE - TIMBER (in thousands) - [1]	*	$408,112	$471,227	$558,445
ELECTIONS - REGISTERED VOTERS (in thousands) - [1]	*	2,916	2,945	2,838
REVENUE - TAX RETURNS FILED (in thousands) - [2]	4,538	4,663	4,686	4,702
REVENUE - TAX RETURNS FILED ELECTRONICALLY - [2]	53%	48%	45%	45%
CULTURE, RECREATION, AND TOURISM				
STATE PARKS VISITORS (in thousands) - [2]	2,069	2,079	1,784	1,678
TRANSPORTATION AND DEVELOPMENT				
NUMBER OF BRIDGES	13,166	13,154	13,157	13,175
PUBLIC SAFETY				
STATE POLICE ROAD PATROL MILEAGE (in thousands) - [2]	13,615	14,373	10,699	9,262
HEALTH AND WELFARE				
DHH - MEDICAID CLAIMS PROCESSED (in thousands) - [2]	62,618	57,261	51,089	64,914
DHH - CHILDREN IMMUNIZED - [3]	*	99%	93.3%	96.0%
CORRECTIONS				
AVERAGE DAILY COST PER INMATE BED - [2]	$55.54	$61.49	$56.25	$48.97
CONSERVATION AND ENVIRONMENT				
WLF - FISH AND SHELLFISH (in thousands) - [1]	*	$241,611	$235,494	$289,536
WLF - ALLIGATOR AND GAME (in thousands) - [1]	*	*	$58,882	$74,149
WLF - HUNTER DAYS ANNUALLY (in millions) - [1]	*	4.9	4.9	5.1
WLF - LICENSED COMMERCIAL FISHERMEN - [1]	*	12,266	11,207	11,785
EDUCATION				
GRADES K-12 (number of students) - [3]	*	656,696	629,264	632,923
AVERAGE ACT SCORE - [4]	20.1	20.1	20.3	20.1
START PRINCIPAL DEPOSITS (in thousands, cumulative) - [1]	*	$45,575	$182,970	$171,689
TOPS TUITION AWARDS (in thousands) - [2]	$129,868	$123,032	$117,146	$121,660
TOPS AWARDS RECIPIENTS (number of students) - [2]	42,375	43,203	42,031	43,952
COLLEGES & UNIVERSITIES (number of students) - [5]	*	*	207,760	198,016

* Information for this year is not yet available

Sources: [1] based on calendar years
[2] based on fiscal years
[3] based on school year reported on October 1
[4] based on graduating class
[5] based on preliminary reported on September 1

2006	2005	2004	2003	2002	2001
$1,321,910	$1,204,605	$1,347,810	$1,296,021	$1,159,194	$1,115,793
$864,269	$920,093	$877,993	$697,345	$614,049	$701,131
$727,747	$581,709	$593,094	$605,357	$568,440	$559,383
2,894	2,845	2,820	2,787	2,720	2,763
3,848	4,061	4,195	3,949	4,084	4,341
41%	32%	25%	17%	14%	11%
1,596	2,183	2,087	2,064	2,008	1,970
13,181	13,206	13,223	13,249	13,274	13,540
10,119	10,204	10,904	10,447	10,378	11,452
46,725	51,930	47,133	40,399	35,242	32,753
95.3%	95.0%	92.3%	90.4%	95.0%	97.3%
$47.00	$48.99	$44.97	$43.38	$41.62	$40.33
$270,633	$251,895	$275,634	$271,113	$279,989	$345,091
$64,370	$52,617	$44,748	$37,252	$32,886	$25,614
5.0	5.0	--	5.8	6.0	5.8
12,095	14,120	15,832	17,070	18,419	19,080
636,233	587,205	701,471	705,534	708,238	714,020
20.1	19.8	19.8	19.6	19.6	19.6
$127,082	$93,217	$63,049	$37,317	$9,207	$7,707
$116,203	$118,882	$110,926	$103,729	$103,273	$90,492
42,130	42,435	41,034	40,107	40,851	35,726
195,380	205,300	214,345	210,527	204,197	201,295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ACKNOWLEDGMENTS

REPORT PREPARED BY:

State of Louisiana
Division of Administration
Paul W. Rainwater, Commissioner
Mark Brady, Deputy Commissioner

Office of Statewide Reporting and Accounting Policy
Afranie Adomako, CPA, Director
Devery Pierce, CPA, Assistant Director
Holly Ketterer, Administrative Assistant

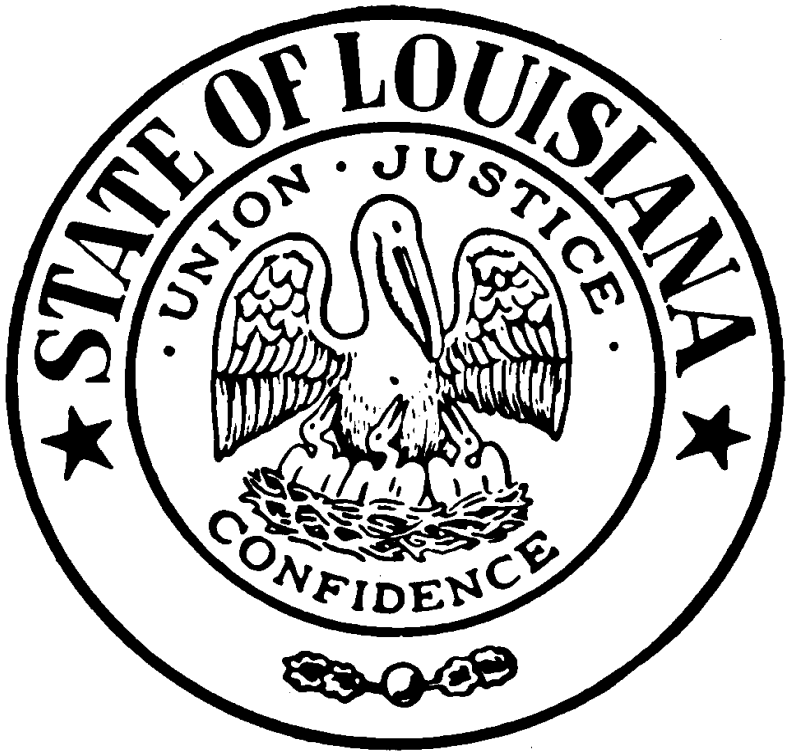
Financial Reporting Section
Yuchi Fong, Manager
Mark Rhodes, CPA, Manager
Kimberly Dwin, Consultant
Tonia Jackson, CPA, Consultant
Inga Kimbrough, Consultant
Sean Langlois, Consultant
Katherine Porche, CPA, Supervisor
Sue Seab, CPA, Inactive, Consultant
Pamela Stephens, CGFM, Supervisor
Michael Taylor, Consultant
Deborah Zundel, CPA, Consultant

Additional Assistance Provided By
Office of Computing Services
Office of Electronic Services
Office of Information Services
All State Fiscal Personnel

Special thanks to the Financial Systems section of the Office of Statewide Reporting and Accounting Policy for their valued input into the Comprehensive Annual Financial Report:

Financial Systems

Donnie Ladatto, CPA, Manager
Tacyra Autrey, Consultant
Carmencita Christian, Consultant
Judy Davidson, Administrative Manager
Kurt Demmerly, CPA, Supervisor
Heidi Israel, Consultant
James Lodge, Consultant
Angela Murphy, Supervisor
Evelyn Myles, Administrative Coordinator
Bridget Theriot, Consultant
Jennifer Wells, Administrative Coordinator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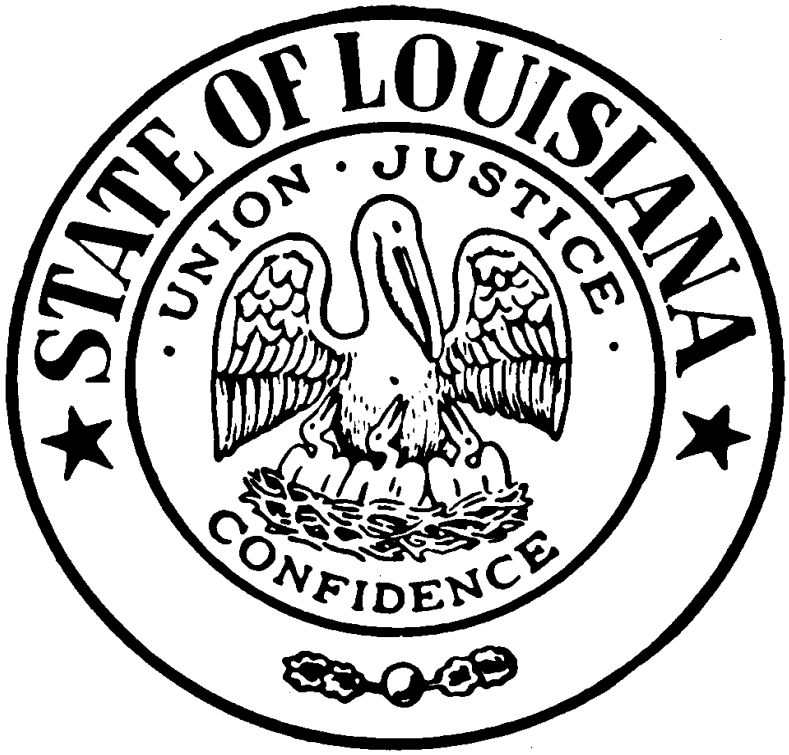
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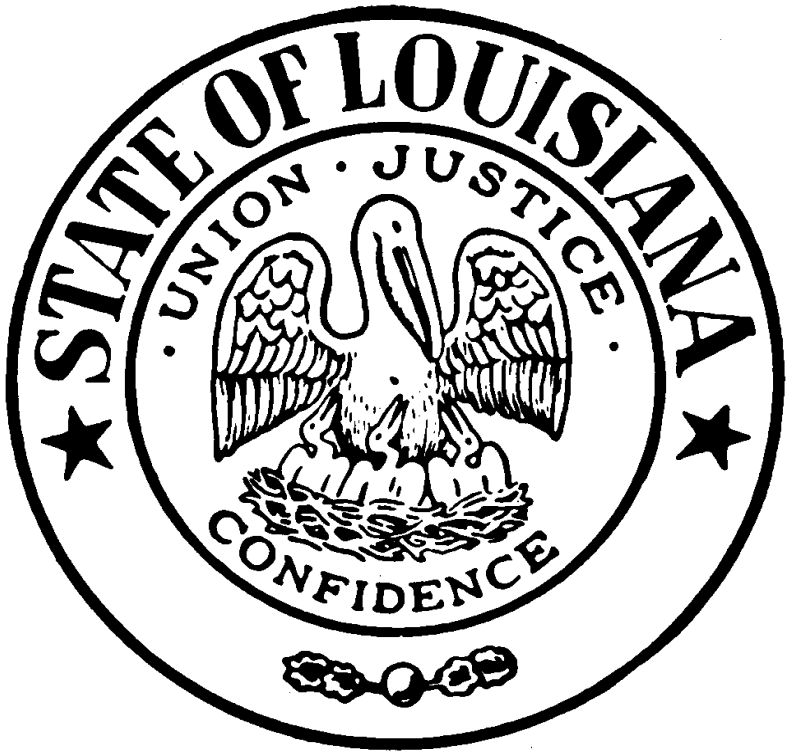
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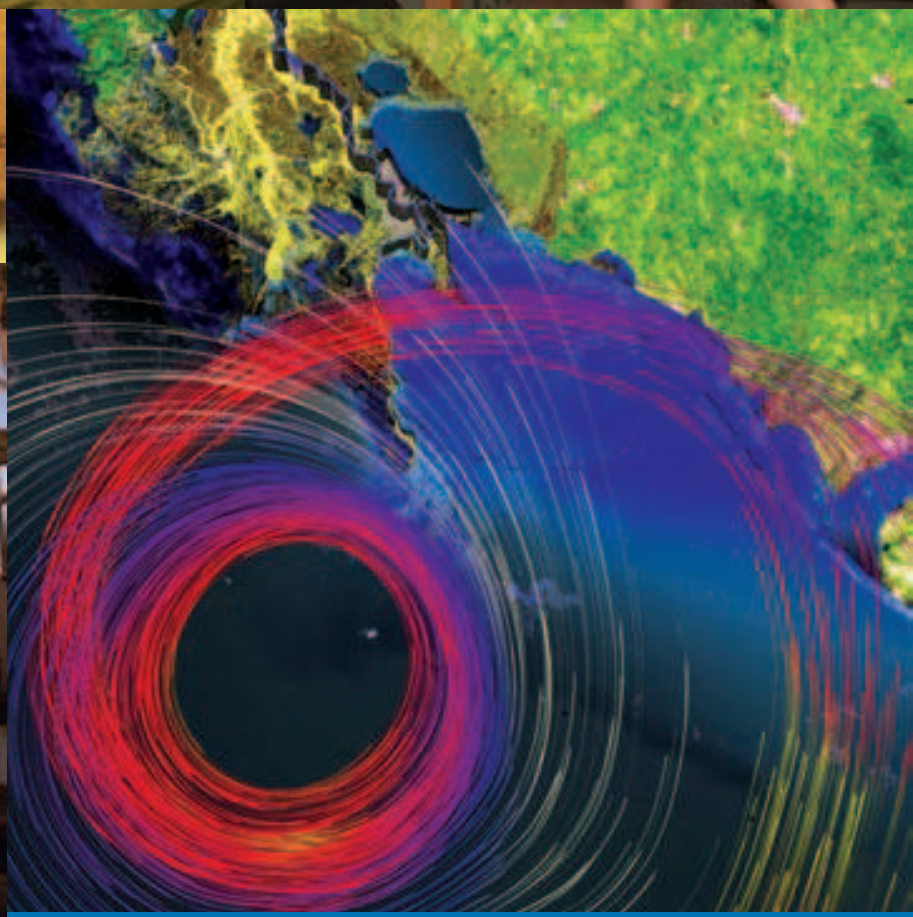

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